What the Ships Carry Between America and China

(Taken from the Daily Returns of the Shanghai Customs from Thursday, August 24, to August 28, 1920).

S. S. Tenyo Maru, August 16.

To Honolulu :

Foreign Goods :

Sugar, Refined	Pls	311
,, White	,,	810

To San Francisco :

Tea, Black, Hankow	,,	94
,, ,, Kiukiang	,,	16

Tea, Green :

Gunpowder, Ningpo	,,	337
,, Other Ports	,,	12
Young Hyson, other Ports	,,	142
Hyson, other ports	,,	29
Groundnuts, in shell	,,	38
,, Kernels	,,	86
Intestines, Pig	,,	90
Carpets	Pcs.	8

To Boston :

Silk Waste :

Shanghai ..... Bls 7	Pls	22 21

To New York :

Silk Raw, Re.reeled :

White, other Ports ..... Bls 45	,,	46.12

Silk, Raw, Steam Filature :

White, Shanghai ..... Bls. 160	,,	159.54
Silk Piece Goods	,,	2.56
Tea Black, Kiukiang	,,	20
Intestines	,,	20

To Philadelphia :

Silk, Waste :

Other Parts ..... Bls 74	,,	88 59

To Scranton :

Silk, Raw, Re-reelod ;

Silk, Raw, Re-reeled :

White, other Ports ..... Bls 20	,,	20.25

Silk, Raw Steam Filature :

White, Shanghai ..... Bls 12	,,	12.01

To South Manchester

Silk Waste :

Shanghai ..... Bls. 8	,,	24 10

S. S. Egremont Castle, from U. S. A., August 4.

Sheetings :

Grey, 11 lb	Pcs.	3,000
,, 1½ lb. over 110 threads per sq. in	,,	5,000
Bells	,,	600
Bicycles	,,	21
Mchines, Calculating	,,	4
Clocks	,,	571
Motor- Cycles	,,	6
Typewriters	Pcs.	1
Canvas	Yds	2.048
Imitation Fur Cloth	,,	52
Waterproof Cloth	,,	985
Cotton Blankets	Pls.	14
,, Counterpanes	,,	4
Yarn, Counts 35	,,	70
Brass Sheets	,,	104
Copper Rods	,,	14
Iron Angles	,,	299
,, Bars	,,	2,405
,, Bars Croppings	,,	606
,, Bolts and Nuts	,,	732
,, Cut Nails	,,	5
,, Pipe Fittings	,,	141
,, Plates	,,	8,344
,, Plate Cuttings	,,	4,023
,, Twisted Bars	,,	1,477
,, Plates, Old	,,	923

Iron Galvanized :

Pipe Fittings	,,	73
Wire	,,	42
Tinned Plates, Plain	,,	450
Zinc Sheets	,,	21
Cocao, Prepared	,,	1
Bronze Powder	Tls.	6
Glycerine	,,	8
Grease	,,	848
Hair, Human	,,	10
Indigo Paste, Artificial	,,	335
Leather, Kid	,,	1
Oakum	,,	31
Packing, India-Rubber	,,	7
Paint, Green	,,	17
Paints, Unclassed	,,	68
Paper, Glazed	,,	18
,, Wax	,,	232
,, Writing	,,	1,160
,, Unclassed	,,	118
Pitch	,,	166
Tobacco, Leaf	,,	410
,, Prepared	,,	12
Twine	,,	17
Shoes	,,	947
Baking Powder	Doz.	195
Files	,,	300
Oil, Lubricating	Galls.	9,137
Paint, Green	,,	330
Paint, Unclassed	,,	9,082
Turpetine	,,	417
Varnish	,,	1,000
Cigarettes	Mille	100
Glass, Plate, Silvered	Sq. ft.	432
Dyes ..... Pkgs. 155	Hk. Tls.	30,325
Machinery	,,	53,293

S. S. Elkridge, from U. S. A., August 9.

Iron Cylinders	Pcs.	62
Motor-cars	,,	22

Iron and Steel :

Bars and Rods	Pls.	5,745
Hoops	,,	1,384
Ripe Fittings	,,	42
Rails	,,	789
Spikes	,,	72
Manufactured of	,,	55

Iron & Steel, Galvanized :

Wire Shorts	,,	684
Ammonia, Anhydrous	,,	91
Lime, Chloride of	Pls.	224
Cigars	Mills	10

S. S. Africa Maru, from U. S. A., August 9.

Sheetings :

Grey, 12½ lb. over 110 threads per sq. in	Pcs.	4,000
,, 15⅓ lc. 110 threads per sq. in	,,	6,000
Cotton Flannel, Grey, 32 in	,,	3,300
,, ,, ,, 40 ,,	,,	320
Machines, Sewing	,,	2,972
Iron Bars	Pls.	1,230
,, Hoop Cuttings	,,	858
,, Plates, Old	,,	704
Butter	,,	648
Carbon, Black	,,	281
Hats	Doz.	2
Cigarettes	Mille	26,125
Machinery	Hk. Tls.	140,991

S. S. Monteagle, August 2?.

To Scranton :

Silk, Raw, Re-reeled :

White, Other Ports ..... Bls. 10	Pls.	10.10

To Chicago :

Tea, Black, Kiukiang	,,	5

Tea, Green :

Gunpowder, Ningpo	,,	101
,, other Ports	,,	60
Hyson, other ports	,,	166
Young Hyson, other Ports	,,	134

To Buffalo :

Intestines, Pig	,,	148

To New York :

Silk, Raw, Steam Filiature :

White, Shanghai ..... Bls. 35	,,	34,80
Silk Pongees, Shantung	,,	11.47
Chinawere, Coarse	,,	50
,, Fine	,,	88
Straw Braid	,,	80

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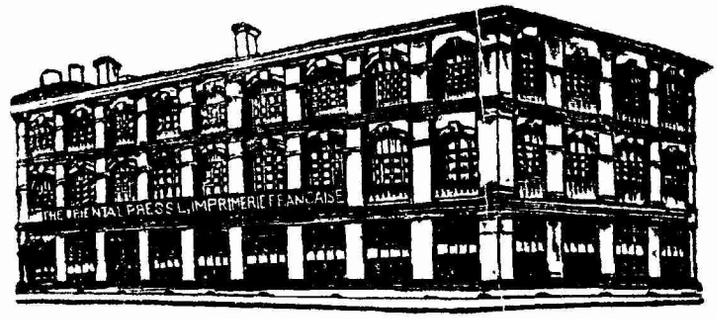

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Chinese Government Railways

Approximate Return of Traffic for the period from June 1 to June 10, 1920

Name of Line	Passenger Revenue	Goods Revenue	Sundries	Total Revenue	Compared with same period last year: Increase	Compared with same period last year: Decrease	Accumulated Total Since Jan. 1: Present year	Compared with same period last year: Increase	Compared with same period last year: Decrease	Compared with same period last year: Percentage of In. or Dec.	Traffic train miles run: Accumulated Total Since Jan. 1	Compared with same period last year: Increase	Compared with same period last year: Decrease	Compared with same period last year: Percentage of In. or Dec
	$	$	$	$	$	$	$	$	$	%	$	Miles	Miles	%
Peking-H-Suiyuan	244334	384742	3852	632928	.....	169355	14423039	1521445	.....	10.55	2257094	187701	.....	8.32
Peking-Mukden	234207	278242	2100	514549	.....	287038	9914482	1506501	.....	15.19	1548080	48485	.....	2.61
Tientsin-Pukow	145981	256547	8731	414259	74796	.....	7030008	383740	.....	5.46	1301774	.....	.....	.....
Shanghai-Nanking	116387	58494	3123	178004	32044	.....	2725635	253038	.....	9.28	671879	.....	6648	-0.99
Shanghai-H-Ningpo	61891	47508	1349	110748	31445	.....	1321811	158641	.....	12.00	353589	83943	.....	23.75
Cheng-Tai	16995	81128	498	98921	26026	.....	2062590	633919	.....	30.73	357147	53577	.....	15.00
Canton-Kowloon	24731	2917	700	244991	2670	.....	475678	12248	.....	2.57	119994	1842	.....	1.51
Kirin-Changchun	16146	33340	956	50442	12055	.....	1056924	286321	.....	27.09	173131	4413	.....	2.55
Taokow-Chinghua	2545	35063	723	40331	11683	.....	442444	25871	.....	5.84	100227	5589	.....	5.57
Chuchow-Pinghsiang														
Canton-Samshui														
Changchow-Amoy	730	24	.....	754	.....	149	7739	.....	5862	-75.73	1637	.....	1358	-82.95
Kaifeng-Honan	20403	12764	788	33955	.....	4936	735706	95206	.....	12.94	127088	.....	21	-0.02
Wuchang-Changsha	40185	2369	.....	42554	20977	.....	741521	202554	.....	27.30	.....	.....	.....	.....
Ssu-Tsen	5283	9811	11	15105	.....	3604	411604	99200	.....	24.12	49933	49933	.....	9.34
TOTAL	928461	1205949	22831	2157241	.....	253386	41349181	5172822	.....	8.25	7064483	374453	.....	.....

Y. C. WHANG

Chief of Railway Department, Ministry of Communications

MILLARD'S

REVIEW

OF THE FAR EAST

密勒氏評論報

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YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, MEX. TEN DOLLARS IN ADVANCE, POSTAGE INCLUDED, IN CHINA AND THE FAR EAST. IN THE UNITED STATES AND FOREIGN COUNTRIES SEVEN DOLLARS AND FIFTY CENTS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND CLASS MATTER IN THE AMERICAN, CHINESE, BRITISH AND JAPANESE POST OFFICES AT SHANGHAI IN MAY, 1917.

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING SHOULD BE ADDRESSED TO THE REVIEW AT 113 AVENUE EDWARD VII, SHANGHAI, CHINA. SINCE THERE IS A U. S. POSTAL AGENCY IN SHANGHAI, AMERICAN DOMESTIC POSTAL CHARGES APPLY BETWEEN THIS PORT AND ALL PARTS OF THE UNITED STATES.

A YEAR ago officials of the Chinese government at Peking were trying to control the student movement by closing the schools, placing armed guards about the schools they couldn't close and in several cases by actually locking the students in jails. On two or three occasions in both Peking and Tientsin, the police jails were filled with boys and girls whose great offense against the peace and dignity of the state consisted in public lecturing and agitation for better government and more to the point direct agitation against corrupt government officials whom the students believed were selling their country to Japan.

CHINA now has a new government and a new cabinet and although the power behind the throne is a new set of military officials, there has come about a complete change of front on the student question. One official of the new govenment, Mr. Chow Tse-tze, Minister of Finance, in a recent interview made the declaration that "students" and "public opinion" are synonomous terms and the still more startling declaration that the students now constitute the most important element in the Chinese society. "It wasn't Generals Chang Tso-lin, Tsao-Kun and Wu Pei-fu, who defeated the unpatriotic Anfu forces this summer and drove them out of the government; it was public opinion that did the work. And back of public opinion was the student demonstration that started in May of 1919 and has kept up to the present." These were Mr. Chow's words and next to the students he placed the merchants and the farmers as the bulwarks of the Chinese nation.

MR. Yeh Kung-cho, new Minister of Communications, is another example of the new type of official which this new public opinion in China has brought into office. Mr. Yeh has

served previously as vice-minister of communications, but more recently he has been head of a bureau devoted to the promotion of commerce and industry. As vice-minister of communications he assisted in the unification of accounts and statistics. In 1917 when Chang Hsun attempted to restore the boy emperor to the throne, Yeh did good service to the state by handling the transportation for the republican troops that overthrew General Chang. Recently the leading rug and carpet makers in the various cities received a letter from Minister Yeh calling their attention to the great demand for Chinese carpets abroad and urging them to adapt their output to foreign markets. Figures were cited showing the importance of the industry to China. This example is typical of his interest in the industrial development of the country. He is interested in three essential phases of China's future development: construction of modern roads, development and improvement of the railway system and harbor development. He is already inaugurating a better system of bookkeeping in the central railroad office and on January 1, he plans to put in force a revolutionary idea in railroad transportation in China whereby the railroads are to be responsible for the safe delivery of merchandise entrusted to their care. The fact that the Chinese railways are not responsible for goods entrusted to them for carriage will sound strange to western ears, but it is a fact, nevertheless. The shipper takes the risk in China; to protect his merchandise he must supply a guard or watchman from shipping point to destination. If merchandise is lost, he has no recourse, for he signs away his right of redress when he engages transportation. This is to be changed after January 1 and it is certain to stimulate the movement of cargoes by railway. Another new idea which Mr. Yeh plans to carry out is a general campaign to stimulate industrial development in China by the use of moving pictures showing the operation of industries in other countries. He is now arranging for supplies of industrial films from abroad for this purpose. Still another movement of special importance to foreign commerce has to do with plans for the improvement and development of Woosung, near Shanghai, as a purely Chinese port.

THE first official act of Mr. Chow Tse-tze, new Minister of Finance, was to appropriate a quarter of a million dollars in order that the various government schools might be opened for the autumn term and since that time he has appropriated an additional million to be used in payment of arrears of salaries for teachers in government schools. It was Mr. Chow's standing in financial circles and his ability to raise money that got him the position of Minister in the Finance Department. The pro-Japanese Anfu officials who were driven out of office at the point of the bayonet and who are now enjoying the hospitality of the Japanese Legation at Peking literally licked the rice bowl empty before they fled to Japanese protection to save their hides and heads. To raise money that will enable the new government to function is Mr. Chow's job and a real job it is—considering the weak position of Peking over the provinces. With a record of some $400,000,000 borrowed from Japan by the old crowd and squandered in "squeeze" and foolish military adventure, China is now in no humor for further foreign loans. The pledging of any more national resources to get money from abroad would immediately be the signal for another revolution.

MR. Chow hadn't been in office but a few days before he received a telegram of congratulation from Mr. Lamont, the organizer of the Consortium. This evidently was the American financier's gentle method of reminding the new government that the first meeting of the banking group would soon be held and that it soon would be in a position to do business-providing China is ready to accept the terms that the bankers desire. Mr. Chow is personally in favor of the Consortium, if under American leadership it will help the Chinese people by assisting in the development of the country industrially. There have been rumors that he would adopt the Wilsonian method of going himself to the first meeting of the Consortium bankers, but this report has not been confirmed. He is not opposed to proper supervision of expenditures of funds by the Consortium, providing the rights of the Chinese people are not infringed. Two recent examples of the wrong kind of foreign supervision that may have been in the Minister's mind were the attempt of the Dutch Minister to hold up the Customs surplus (deposited in foreign banks) because a Dutch engineer had been dismissed from a Chinese government department, and the still more recent attempt of the French Minister to block the same Chinese fund if China persisted in stopping payment of the Boxer indemnity to the Russo-Asiatic Bank which is now under French control. China is not, however, so easily bluffed by these blusters as she was a few years ago. For the general expenses of the central government, Mr. Chow believes that dependence should be upon the Chinese banks. He made the statement that the government for legitimate expenses only requires about $40,000,000 a year and that this sum may easily be obtained at home providing more confidence can be created in the central government. According to Mr. Chow, China now faces four definite problems in the reconstruction of her central government: 1—Reconciliation of North and South. 2—

Reorganization of the parliament. 3—Adoption of a permanent legal constitution. 4—Decentralization, that is the granting of more power to the provinces and less interference by the Central government in provincial affairs. He is in favor of disbandonment of superfluous troops and has a plan for using the older type of soldiers (those who have served for more than one year) for colonization purposes on China's frontiers. The remainder of China's armies in his opinion should be changed into an internal police force, subject to the central government alone and not to the provincial military officials. Mr. Chow, as well as two other members of the cabinet, has studied in America. The others are Dr. Wang Chun-huei, Minister of Justice and Dr. W. W. Yen, Minister of Foreign Affairs. Mr. Chow served as Consul-General in New York for a time and has travelled extensively in the United States.

Observations

BY T. R. JERNIGAN

THE writer has before him three large volumes entitled, "The Records of the Federal Convention," and which record the authority for the convention, the action of the states in relation thereto, the delegates of the states, and the debates on the different provisions intended to form a permanent constitution. When the American people decided that the articles of the confederate government under which they were living had proved inadequate they took action to provide a more suitable organic government to be substituted for the government created by the defective articles. Congress being in session, at the time the states were deciding to take action, it was decided to give such action the initial formality of authority, and to that end the representatives of the states in Congress were directed, by the people of their respective states, to have Congress pass a resolution providing for a convention and the date and place. After setting forth in the resolution that the states were favorable to its passage, the following resolution was passed on February 21, 1787. "Resolved: That in the opinion of Congress, it is expedient, that on the second Monday in May next, a convention of delegates, who shall have been appointed by the several states, be held at Philadelphia."

WHEN the delegates assembled at that place, and on the date indicated by the resolution of Congress, it was seen that a majority of the states were not represented, and there was an adjournment until the twenty-seventh of the same month. On this last date, according to adjournment, the convention organized. The thirteen states then composing the American confederation were represented in the convention by fifty-five delegates, but several of whom did not regularly attend, though the states were sufficiently represented to make a quorum for the transaction of the business under consideration. The convention remained almost in continuous session until the seventeenth of September following. And on that day in the year of 1787, and the twelfth year of independence, thirty-nine delegates affixed their signatures to the organic document known as the Constitution of the United States of America and under which the American people live and prosper. As soon as the constitution was thus signed it was transmitted to Congress, and by Congress to the official authorities of the several states. The next step to make the constitution practically operative depended on what the states might think of it. There were thirteen states and the constitution contained the provision that before it could have legal validity it must be approved by nine states. The time had come for the states to ratify or reject the instrument of government which their delegates in a national convention had framed. The states rose to the occasion, each selecting delegates to constitute a state convention to determine the fate of the proposed constitution.

THERE were doubters in those days. In the convention of the states every provision of the proposed constitution was put to the test of a most searching debate. In the Virginia Convention Patrick Henry opposed approval by his great personal influence and unmatched eloquence, and was only defeated by the cool logic of John Marshall and the skilful management of James Madison. In nearly all the states there was opposition, because it was apprehended that the power which had been reserved to the states did not safely guard against the possible aggression of the national government. But when the votes of the states were taken the result showed that the constitution was legally ratified, and the new government provided for by it immediately became operative. It may be written here that the constitution is the government of the United States and from which all its powers are derived. The American people did not propose to form a government whose powers were based on customs and precedents, but they determined that every power their government was to exercise was to be specifically named and its extent and purpose clearly defined. The basis, therefore, of the American government is a written constitution, which was written by their own trusted representatives and afterwards ratified, by the American people through the agency of their respective states, as the paramount law of their country. It was in the simple way mentioned that the American people made their government. Every

move in the making was under the sanction of official authority and no step was taken outside of the authority which the people themselves had constituted. Twelve years had gone since the Declaration of Independence and the states were held together by an instrument of confederation which was wanting almost in every essential to stabilize a government. The leading Americans, appreciating the danger threatening the Independence which had been achieved, made up their minds that they would find a remedy for their defective government, and by their unselfish patriotism and determination they found the remedy. The constitution was the remedy as well as a new venture in government. No written government like it had ever been promulgated. Failure was predicted, and the preceeding democracies pointed out to justify the prediction. But there had never been a democracy regulated by law as was the democracy the Americans had established, and the critics and doubters failed to shake their confidence in its stability. And now after a period of more than one hundred and twenty-five years what critics are so blind or envious as not to see the complete success of the Republic and admit its unrivaled resources?

IN resigning the position of adviser to the Republic of China, the former American Minister Reinsch submits a memorandum of advice of timely importance to the people and officials. The conception and tone of the memorandum must impress the loyal friendship of the author which is confirmed by the plain language employed to express his meaning. There is not a dubious sentence in the memorandum nor can there be a doubt as to its meaning and purpose. It is seldom that China receives such merited and wholesome advice as Dr. Reinsch has given. Some who should know better have written and are still writing as if the situation in China was not specially in need of reformation, and that the functioning power at Peking was better suited to govern China than would be an organized representative government. The idea of this class of writers is that the people of China are not qualified for a representative government, and therefore the conclusion is that they should continue to be ruled by an Emperor or a military autocracy. But Dr. Reinsch takes a different view. He thinks that China should have a representative government and that it would not be difficult to educate the Chinese to turn with loyalty to such a form. In the memorandum the officials at Peking are plainly told that they are not the *de-jure* government but a mere *de facto*, and were simply recognized by foreign nations as a convenient agent for official intercourse, and liable to be repudiated any morning. It is certain that China was never governed by any authority of less legality than the authority governing at Peking, and very naturally it would be opposed to any form of a government that had the semblance of legality. There has not been a legal government in China for a long time. The Manchu government was imposed by military force. The provisional constitution and every document connected with it has been destroyed or held up, and thus it has gone on until China has about ceased to go.

THE memorandum proposes a form of government for China founded on the consent of the people, and the plan to give the the people that form of government. It is the belief of Dr. Reinsch that there can be no assurance of a government of permanency without the confidence of the public, and for that reason the spirit of the age will not longer tolerate the self made power of one man or the autocracy of a few. The plan proposed to accomplish a representative government is simple and somewhat resembles the simplicity of the plan of the American government as already briefly explained. And in this connection the following paragraph from the memorandum may be quoted: "The fundamental basis of all legality is public consent expressed in an orderly manner. In a situation such as the present, it is therefore not only proper but it seems necessary to revert to a popular verdict for solution. In arriving at such a decision the already existing groups and organizations of the people should be made the basis of action. If this is not done it would be easy to form new "mushroom" organizations in order to influence the decision. In the existing commercial and industrial and educational organizations of the Chinese people, and in the provincial assemblies there can be found the only true source of national authority; from them the national government may be endowed with that representative authority which at the present time it lacks." If it be the meaning of the Chinese people to establish a representative government, the principle to guide is stated in the above quotation, for if there be a true source of national authority it must be looked for in the industrial organizations of the Chinese people and the provincial assemblies. It surely cannot be found anywhere around Peking, and it ought to be evident that the people of China are not in a frame of mind to quietly submit to the spoilation of another Anfu Club. However the extreme conservativeness of the Chinese may have discounted their patriotism in the estimation of foreigners, there is proof in their recent history that they are capable of a manly effort. The dethronement of the Manchus, the defeat of Yuan Shih-kai, and the downfall of the Anfu despoilers were not brought to an end according to foreign methods, though the end was attained. There will be powerful

obstructions offered to representative government, but it cannot be concealed that there is constantly growing a more effective realization.

IT would seem that the plan indicated in the memorandum for convening a national assembly to frame a permanent constitution for China is feasible and could easily be made practical. The members of the industrial associations of a province ought not to have any difficulty in making known to the members of a provincial assembly their sentiment on such an important subject, and all being residents of the same province there should not be any insuperable obstacles in arriving at a favorable and harmonious conclusion. The members of the assembly would hardly be indifferent to the wishes of their more substantial constitutients, and by agreement a reasonable number of properly qualified citizens could be selected as delegates to represent a province in the national assembly. It has been seen that the American states very promptly selected their delegates to a national assembly as soon as they realized the necessity for a permanent constitution for the safety and promotion of their general welfare. The dangers of disorganization which were due to an inadequate organic law, and quickly realized by the American people, caused them to apply the needed remedy, thereby strengthening the bond between the states and at the same time evolving a national government capable of protecting itself and guaranteeing the domestic independence of the states. The American government as a whole and in every part is absolutely founded on the consent of the people of America, and they would not live under a government of any other form or character. No military chief or chiefs would dare to go to Washington and assume to dictate to the President who should be appointed to a Cabinet position or to any other office. If the attempt was made there would be an uprising in all sections of America to capture the would be dictators and inflict upon them the punishment deserved by traitors. If the Chinese people would select delegates in the simple way indicated, and the delegates selected should organize themselves into a national assembly, the constitution provided by that assembly would be the paramount law of China and would have to be obeyed throughout all the provinces. A constitution is the supreme law, and defines the form of government, the extent and limitations of its powers, and the number of departments into which it shall be divided in order to properly administer the public affairs of the country. It is the central source of authority and the chart to guide legislation. As Dr. Reinsch has advised, the time has come for the people of China to establish a civil government based on their consent and to put an end to military rule.

Dr. Tenney "Grand Old Man" of the American Legation Retires

BY HOLLINGTON K. TONG

DR. Charles D. Tenney, who has acted as American Charge D'Affaires at Peking from September 15, 1919 to May 29, 1920, after 38 years of service to his own country and to the Chinese people is leaving for America about the middle of this month by way of Chinwangtao and Manila. He has made plans to retire from the diplomatic service and to live for the remainder of his life in California.

Dr. Charles D. Tenney A. B., M. A.

Although the "Grand Old Man" of the American Legation fully deserves a well-earned retirement, efforts are being made by Chinese officials and the Americans in China to secure a reconsideration of his decision. In truth, China needs the presence of friendly and sympathetic foreign diplomats like Dr. Tenney in her Capital today more than ever before, having been forced by the new world conditions to bring to her

very door many complicated international questions which she can no longer ignore. On account of his intimate knowledge of Chinese affairs, manners and customs, he is likewise indispensible to the Americans residing in this country, and whose number is steadily growing.

Dr. Tenney attended the Theological Seminary at Oberlin, Ohio, for three years and then went to Dartmouth College in 1879, where he received the M. A. degree. First he went to Shansi as a member of the American Board Mission. After three years of service he resigned from the mission and devoted himself to important educational work, realizing the educational need of China. In 1886 he founded the Anglo-Chinese school at Tientsin. While managing the school for the benefit of poor children in the morning, he devoted afternoons to tutoring in Viceroy Li Hung-chang's family. He founded Peiyang University in 1895, into which the Anglo-Chinese School was eventually merged. He became the first President of that important institution of high and technical learning in China. When the school work was interrupted by the disturbances of 1900, he became Chinese Secretary of the Tientsin Provisional government.

In the year of the Boxer uprising, Dr. Tenney rendered most valuable service to the Chinese people and showed his willingness to run personal risks in his endeavors to save the lives of several hundred Chinese at Tientsin. Mr. Tsai Shao-chi, former Taotai, in an interview with the writer gave a vivid description of Dr. Tenney's work.

He said: "It was in the month of July when the Chinese living within the defence zone were forbidden to go out on the street, unless they were with foreigners, and would be shot if they disobeyed the order. Over two hundred families were then living in small cottages just in front of my present house (in the British Concession). The water supply was used up and yet they could not leave their homes to bring it in fear of death. However, the weather was excessively hot. Dr. Tenney, seeing the desperate situation in which they were, carried buckets of water in his hands and gave them to each family every day for two weeks, thus saving several hundred persons from death.

"While he was thus engaged the Chinese solders fired continuously across the zone. He exposed himself to great personal danger every minute. You must remember that he was helping the people who were unknown to him and who were poor and who could not return his kindness. My admiration for Dr. Tenney was naturally unqualified. It was a different matter if he helped me because I was at that time Chancellor of the University and was his associate. After the disturbances, many of those poor people whose lives he saved presented him with scrolls on which were written words of love and esteem."

Another heroic and noble deed of Dr. Tenney's during that troublesome time was his attempt to shelter Chinese old men and women, and children in his house when the foreign commander issued orders that they be expelled from the defence zone. He pleaded with the commander and begged of him to let these old men and women, and young children remain where they were. When his pleading proved useless, he went out of the zone together with them. They reached a small village outside of Tientsin, and Dr. Tenney found shelter for them. Then he returned to the zone in the hope that he might persuade the foreign high commander to change his decision and allow his proteges to return. He finally succeeded, and the next morning returned to the village. On the way out he met Mr. Hoover, former American presidential candidate, and the latter volunteered to accompany him on this dangerous trip.

When they reached the village, Dr. Tenney went inside the house and asked his proteges to return to the zone. They told him that they had already made arrangements to go down along the Grand Canal. Mr. Hoover stood outside the house as a guard while Dr. Tenney was conversing with them. While standing there, there crept near to him a man in rags. They could not make each other understood as Mr. Hoover did not speak Chinese. A few minutes later Dr. Tenney came out of the house and inquired of the man in rags in Chinese what he wanted. The reply was that he carried a message in both French and English from Sir Robert Hart who, together with the foreign ministers, was besiged in Peking by the Boxers. This message was the first that had ever been sent out since the commencement of the siege. It stated that they were all safe and they, however, needed immediate relief. It was delivered to the proper quarters, and encouraged the relief troops to push forward in the direction of Peking with even greater speed. Had it not been for Dr. Tenney's venturous trip to that small village, this message would perhaps have never reached the Tientsin foreign commanders, because the Chinese messenger was afraid to enter the defence zone or come near to it fearing that he might be taken for a spy from the Boxers.

The subsequent appointment of Dr. Tenney as Chinese Secretary of the Tientsin Provisional government with his headquarters in the present office of the Chihli River Commission was welcome news to the Chinese who knew what he had done for them. During his connection with the Provisional government he actively protected Chinese interests and was regarded as the best friend of China. Knowing the Chinese

customs and manners, he saved many innocent persons from execution, according to General Yang I-te, Police Commissioner for Chihli, who was at that time detailed to protect the Chinese city. Revengeful persons, said General Yang, would send secret reports to the foreign command accusing their enemies of having assisted the Boxers and mentioning the incense burners which the latter possessed as evidence. Dr. Tenney knew that most of the families possessed incense burners for the purpose of worship, and that their members could not be treated as Boxers because they possessed the incense burners. In consequence of his explanation many persons who were doomed to die were spared to live. General Yang paid a high tribute to Dr. Tenney for his protection of Chinese interests in general in 1900.

After the Boxer rising, the building of the Peiyang University was still occupied by the Germans. Dr. Tenney went to Berlin to secure either the return of the building in the German concesssions which was used as barracks, or payment for it. After much negotiation which he carried on with the German Government at Berlin, he succeeded in receiving for the Chinese Government $60,000 from the German Government for the building.

In 1902 he reorganized the Peiyang University, and at the same time established several middle schools in Chihli. He made tours of all the educational institutions in that province twice a year. He concurrently acted as Superviser of the Provincial High School at Paotingfu. In recognition of his efforts in promoting education, the Imperial government gave him the "red button" and rank of commissioner of education. The Empress Dowager conferred upon him several "double dragons" decorations. He was on intimate terms with Viceroy Li Hung-chang, and later on with the late President Yuan Shih-kai.

In 1906 Dr. Tenney took a company of graduates of the Peiyang University to America for higher education and acted as superintendent of Chinese Students in America for two years. In 1908 he joined the Staff of the U. S. Legation at Peking as Chinese Secretary. His diplomatic career began in that year. Together with Mr. W. W. Rockhill, who was then American Minister in Peking, he gave advice to the Chinese government in regard to the sending of students to America, a measure subsequently taken by the Chinese government to show its appreciation of the remission of a portion of the American share of the Boxer indemnity. He held for many years the position of legation representative in all matters relating to this subject.

At the time of the first revolution in 1911 which resulted in the establishment of the Republic, Dr. Tenney went to Nanking and took over the U. S. Consulate there. In 1913 he went to America on leave, and in 1914 returned to the American Legation at Peking. In 1919, he was promoted to be Secretary of the Legation of Class 1 and Counsellor of the Legation. This was a fitting recognition of his valuable service to his country, and few persons in the diplomatic service have ever enjoyed this high promotion. The only other foreign diplomat in Peking who received a similar high recognition of service was Mr. Barton of the British Legation.

Upon the departure of Dr. Reinsch for America, Dr. Tenney acted as American Charge d'Affaires until May 29, 1920, when Mr. Crane, the new Minister, took over the office. Together with S. Wells Williams and E. T. Williams, he formed one of a trio of Chinese secretaries of the American Legation who have been of great importance while acting in that capacity. In the conduct of affairs in the American Legation his friendship with the Chinese and his profound knowledge of Chinese likes and dislikes have given him much advantage. His relation with educational affairs in North China has given him a place of profound respect and considerable influence. Of a great number of leading men in China, many are his former students or used to be associated with him as teachers. The present Chief Justice of the Supreme Court, Dr. Wang Chung-kwei for instance, taught at Peiyang University when he was President. Dr. C. T. Wang, one of the Chinese delegates to the Paris Peace Conference, was his pupil.

As missionary, as educationalist, and as diplomat, Dr. Tenney has nobly lived up to his tremendous responsibility. He devotes whatever time that remains to other activities looking forward to the betterment of civic welfare. He is a promoter of the Philisophic Discussion Society at Peking and has made frequent contributions on the subject. He was a member of the joint International Opium Commission at Shanghai in 1909. He is interested in all forms of social activities and his assistance is never withheld when it it asked for.

One satisfaction to Dr. Tenney is that since he first arrived in China 38 years ago, he has seen much improvement in every respect. In one of his speeches at a dinner given in his honor at Peking two months ago, he said: "I have, during my 38 years in China, passed through many such crises as we are now witnessing (the recent disturbance in North China which resulted in the overthrow of the Anfu Club). Although these events keep recurring, we must not fail to see the great improvement which has been made. When I first visited Peking I came by cart from Tientsin over an impossible road. There were no railways nor roads, and the capital was about as isolated as it is today (during the disturbances many people moved to Tientsin

fearing that there might be looting). Dr. A. H. Smith expressed it well the other day as we met upon the street. He said: 'Tenney, you and I came to a China still in the Ming Dynasty. Look at it now.' On my recent trip to Shansi I found the Governor building automobile roads into the interior cities."

President Hsu Shih-chang, an age-long friend of Dr. Tenney, in a recent interview, regretted that the "Grand Old Man" had to return to America and to retire, and expressed the hope that he might reconsider his decision. He said that Dr. Tenney's usefulness to China and America has not yet been outlived.

"Dr. Tenney," he stated, "is an old friend of mine and also an old friend of our country. He first came to China as a missionary, and later devoted his attention to educational affairs. He derived keenest pleasure from the education of the Chinese people and the preparation of their youths for great tasks in the future.

"Dr. Tenney, I know quite well, has always been on the most intimate terms with prominent Chinese leaders in every walk of life, and is well acquainted with Chinese manners and customs. He has been paying a special attention to such questions as how to make China strong and wealthy, and how to better the livelihood of her people with whose interests he closely associates. Any one in this country who knows something about national affairs knows him.

"Even in the Manchu dynasty Peiyang was already known for the great educational development. The credit for this largely belonged to Dr. Tenney. It was at that time when I made his acquaintance, when he founded the Peiyang University. High scholarship which distinguished its graduates was known throughout the length and breadth of the country. This was due to Dr. Tenney's efforts and guidance. From the very beginning of the university, Dr. Tenney was highly respected by his students. Many storms have come and gone, but the university keeps progressing, because he laid for it a firm foundation. As a result, up to the present, Peiyang University is one of the leading engineering institutions in China. In laying this firm foundation he has done much for China, and this cannot be forgotten by the people for generations to come. After having started the institution on the highway to success he took its graduates to America. Most of them upon their graduation in American colleges returned to China and are now doing useful work for their country.

"After having completely discharged his duty as Superintendent of Chinese students, he was engaged by the American government as Chinese Secretary to the Legation in China. The American government is to be congratulated upon finding the right man to fill the right place. China was also fortunate in having Dr. Tenney to work for American interests at Peking.

"Last year, Dr. Tenney was promoted to the rank of Councillor on account of his hard work and meritorious service. Upon the return of Dr. Reinsch to America, he was made Charge d'Affairs. In that new capacity he also performed his duty with great credit to himself and won the respect of Chinese officials.

"Having been in China for such a long time, he naturally desires a well earned vaction since Mr. Charles R. Crane, the new American Minister, has now assumed office. He has asked for leave to go home. As he has been unceasingly toiling for so many years, he should enjoy a period of rest and retirement. But I am not willing to part with him for long. Nor am I willing that the oldest friend of modern China should leave her and take no more interest in her welfare. While hoping that Dr. Tenney will have a pleasant journey back to America, I sincerely hope that he will return to China at an early date."

Peking, September 4, 1920.

Program for the Financial Reconstruction of China

BY D. K. LIEU

THE recent political change has aroused the people's attention to problems of reconstruction more than any other similar change that has taken place since the formation of the Chinese Republic. The Second Revolution of 1913, the overthrow of Yuan Shi-kai's monarchical scheme in 1916, the overthrow of the Restoration in 1918, the national students' movement in 1919,-all these have been either destructive or obstructive in nature because they were movements either to destroy, or to prevent the realization of, certain projects which were injurious to the welfare of the nation. But when such projects were defeated, the people did not go much further to demand the carrying out of any constructive program. This time, however, it is quite different. The people are now more interested in the constructive than in the destructive phase of the change, and have, through the different kinds of private organizations, presented different programs of reconstruction for discussion and execution.

Before mentioning such programs, we want first to refer to the most fundamental proposal of General Wu Pei-fu, the popular hero of the day. His proposal is variously known in the newspapers as Citizen's Convention, General Assembly, People's Conference, National Conference, and a number of other names, all of which seem to imply that the affair is to be attended by the whole four-hundred-million population of China. As a matter of fact, it is only to be a convention of delegates or representatives of the people, differing from the regular legislature only in the organization and in the number of the delegates. Though proposed by General Wu, this plan is representative not only of the enlightened soldiery, of which General Wu is the spirit incarnate, but also of certain groups of politicians whose opinion bears weight with General Wu personally, as well as the

students of Honan and certain other provinces who have subscribed strongly to this proposal. It is, therefore, just as "popular" a proposal as any that comes from groups of private individuals.

The longest and most comprehensive program is that of the Peking Students' Union. It contains nineteen items which are grouped under four main headings. The Chinese students in Japan also have a fairly long program. One of seven items is proposed by the Shanghai Commercial Union. Many others have been proposed by this or that organization, but the main points are more or less the same as those included in these three. As we are at present chiefly interested in the financial reconstruction of China, we have digested these programs and put together those of their items which have to do with financial questions. Below is an enumeration of such items:

1. Disbandment of superfluous troops and abolition of military governors.
2. Reform of land tax and opposition to its being used as security for foreign loans. Also reform of likin, of customs duties, and other taxes.
3. Better budgetary legislation, requiring prompt submission of the budget to the Parliament. Limitation of special appropriations in the budget.
4. Publicity of contracts for foreign loans.
5. Inspection of all government accounts by the people. In another program it is urged that the Bureau of Audits be given greater power to insure proper auditing of all government accounts by that office.
6. More funds to be appropriated for educational purposes than have hitherto been appropriated.
7. The solution of all problems of reconstruction including economic and financial problems, by the National Delegates' Convention.

These, and a few less important demands of a like nature, have been made by the different classes of people to the government. If they are to be all carried out, it would mean a great revolution in Chinese affairs, and a definite assertion of the principle of democracy in this part of the world. The Provisional Constitution itself does not give so much actual guarantee to the people's rights as these proposals when they are properly put into practice. As Edmund Burke rightly points out, the Anglo-Saxon people guard their liberty most jealously in matters of taxation, and they have the most democratic governments in the world. If China wants to be democratic, she must give the people greater control over the financial affairs of the government, which is in fact the dominant feature in these programs of financial reconstruction. At the same time, the national finance needs to be put on a sounder basis, with the revenue increased to cover the expenditure, and with the latter so proportioned among its different branches as to bring the greatest benefit to the largest number of people. With these two ideas to guide us, we shall now proceed to discuss the separate items of the digested program. We shall also present definite facts and figures to provide a background for the discussion, as these program-makers have not been able to go much further than making general assertions. These facts and figures are taken from very authentic sources, and we shall not hesitate to criticise the program-makers if the facts as we know them do not justify their contentions and proposals. The first item to be discussed is the disbandment of superfluous soldiers.

This question of the disbandment of soldiers was brought up before the Shanghai Conference two years ago by the Chief Northern Delegate, Mr. Chu Chi-chien. In a pamphlet prepared by him and his colleagues, it was shown that there were more than 1,290,000 soldiers in the country with a pay-roll amounting to something like $209,000,000 annually. These were based on the figures of 1918, which did not include the four divisions of the Frontier Defence Army and the four mixed brigades of the Northwestern Frontier Defence Forces, and other additions since that time. As far as may be estimated from the budgets, military appropritions ranged from 29 percent to 57 percent of the total annual revenue, including that from domestic and foreign loans. For the last year (these are based on budgetary estimates also) military expenses amounted to about five times the appropriations for national financial administration, 25 times the expenses for maintaining justice, 40 times the amount of money spent on education, and 80 times that spent for the development of industries. This means neglect of almost all the important functions of government except that of preparing for war; and yet China has no war to make with foreign countries; except also, perhaps, that of maintaining peace and order in the country, and yet peace and order are most endangered by the presence of these troops. It means waste of more than half the annual public revenue, the diversion of large amounts of public funds which should be devoted to the economic and intellectual development of the nation, the mortgaging of our rich natural resources (in contracting for loans which are mostly spent for military purposes) for the maintenance of the position of the Tuchuns and keeping the country from being unified. We may call it militarism or Prussianism, but the Germans did not, before the war, bear as much sacrifice of their individual rights and national welfare as we do.

The question is a very broad one, and cannot be fully dealt with in this connection. We shall soon have occasion to write a special article about it. It will be sufficient to point out here that there is absolutely no need of so many troops in China, and that they are kept merely for the sake of maintaining the Tuchuns and a sort of balance of power among them. No one Tuchun is willing to decrease the number of soldiers under his command lest he should be inferior to his neighbor who has not disbanded any of *his* troops. On the contrary, every one tries to increase his troops and thus strengthen his hold on the province, of which he is the military governor. Their psychology is very much like that of the European nations before the war with regard to the question of disarmament. The situation is getting more and more like feudalism. To prevent its realization as well as to cut down the excessive military expenses, the Tuchuns must go, and the troops must be decreased to something like half the existing number. They should all be put under the direct control of the Central government, and receive better training and education so as to be real soldiers for the protection of the country and the maintenance of peace and order within its borders. The disbanded soldiers may be employed in repairing waterways, constructing country roads, building railways, or working in government-owned mines and factories. The same amount of funds now required to feed these soldiers and keeping them idle would be sufficient, when all "squeezing" is eliminated, to carry on such public works and run such mines and factories, and the country would reap the benefit of their work.

The second proposal has to do with reform of taxes. The land tax has been the main source of public revenue in China ever since she had any kind of tax, but recently two other kinds of revenue have so considerably increased in quantity that they assume an almost equal importance with the former.

The former amounted in 1912, according to budgetary estimates, to 79 million dollars; in 1916, the actual receipts were about 82 million; while the estimate for 1919 went up as high as $93,206,397. If the last figures be reliable, the increase is nearly 18 percent over 1912 and about 13½ percent over 1916. The salt revenue increased from 73.6 millions in 1914 to 82.7 millions in 1917, an increase of more than 12 percent. Revenue from the Maritime Customs fluctuated between 84 million taels in 191? and 36.7 million in 1915, while that from the native customs increased from 5.7 million taels in 1913 to 7.4 million in 1915. These figures at the official rate of $1.50 for one Haikwan tael, will be increased by 50 percent when converted into dollars. Many minor taxes and revenues, though not amounting individually to large sums, are yet indicative of great possibilities. Such, for instance ; are the stamp tax and the revenue from the tobacco and wine monopoly. The following figures, as well as the figures, for the salt and customs revenues, represent actual receipts by the Central government.

Stamp Tax	1913		$57,561
	1914		471,915
	1915		3,647,369
	1916		2,021,054
	1917		2,526,622
	1918		2,779,131
Revenue from	1915	(½ year)	1,542,402
Tobacco and Wine	1916		6,410,572
Monopoly	1917		6,304,584
	1918		5,946,836

The latter does not yet include Szechuan, Yunnan, Kweichow, Sinkiang and the borders of Szechuan (known as Chuen-pien) in its figures for 1916, 1917, 1918. Many other taxes, such as house tax, city land tax, income tax, etc., may be introduced, and the public revenue will be further increased. It will not at all be difficult to enable the government to be independent of loans if the taxation system be thoroughly reformed.

The next question concerns the budget. The executive department usually submits the budget to the legislature when the fiscal year is nearly over, and even then the estimates differ widely from actual receipts and appropriations. Besides, modifications are often made later without reference to the Parliament. The ninth year of the Republic is more than half gone, but thus far there have been budgets only for five years, one of which was prepared by the Manchu dynasty. The following table will show in what relation public revenue and public expenditure stood to each other.

Year	*Revenue*	*Expenditure*
1912	$350,859,982	$238,379,385
1913	557,031,236	642,236,876
1914	382,501,188	357,024,030
1916	472,124,695	471,519,436
1919	398,740,457	647,619,787

A budgetary estimate showing a deficit of nearly 70 percent of the total revenue is certainly a remarkable revelation. We cannot go into its details in the present connection, but we have already shown how military appropriations amounted in the last estimate to 57 percent of the total revenue, which is therefore responsible for a great part of the deficit. What we are at present most concerned with is, that both in this last estimate and those for the former years which make a far better appearance in the table, the discrepancy between the estimates and the actual figures is so great that we can hardly depend on the budget for guidance in financial matters. We need only compare the actual receipts from the three most important sources of revenue with the corresponding figures in the budget, and we shall see how great the discrepancy is. In fact, in one case it is as great as 20 percent.

Year	*Estimates*	*Actuals*
	a. Land Tax	
1916	$97,553,513	$81,937,041
	b. Customs Revenue	
1913	$68,224,283	$74,479,648
1914	79,403,057	68,619,171
1916	72,346,314	67,400,848
	c. Salt Gabelle	
1914	$84,879,873	$73,639,791
1916	84,771,365	80,459,007

We are not criticising the different administrative offices which prepared these estimates, for they probably did their best under the existing conditions, but we want to call the attention of the public to such inefficient budgetary legislation, and to the necessity of radical reform. A budget such as has been hitherto submitted to the legislature does not at all give the latter any useful information, and consequently its passing by the Parliament does not at all imply any legislative control over public finance. When in addition to that we remember how the limits to appropriations have been observed in actual practice, the Chinese budget as it has been hardly serves the purposes which it should serve. We have no figures to show how the actual expenditures exceed the estimates, but what with secret loans and what with unreported revenues, the government has been enabled to spend a good deal more than is shown in the estimates. This discrepancy is even more important than that between estimated revenues and their actual receipts, since in the latter case the actuals have been usually below the estimates, showing merely that the government has not been able to give the right estimate, or that it is unable to collect the revenue according to the estimated amounts. In the case of expenditures, disregard of budgetary limitations leads to reckless waste of the public revenue and even of the natural resources when the latter are turned over to foreigners to be exptoited in exchange for loans to defray such expenditures. This leads us to the next item in the program, namely, publicity of foreign loans.

Professor W. W. Willoughby, formerly legal advisor to the Chinese government, gives in his latest book, "Foreign Rights and Interests in China," published this year, a list of China's foreign loans grouped according to their securities. It does not yet include many of the secret loans contracted from Japan which have been reported in the native press, but since there is no official up-to-date list, we may take this as the most comprehensive, most authentic and most up-to-date summary. All of the loans mentioned in his list may be verified with the Official List of Long Term Foreign Loans, the Financial History of the Republic, by Chia Shih-yi based on official documents of the Ministry of Finance, the Statistical Monthly of the Cabinet office, and other sources of reliable information at our disposal. The following only gives the totals of foreign loans outstanding which are secured with railways or mines and industries.

Loans secured by Railways

£ 34,992,050
Yen 71,736,750
Fr. 32,115.000
U.S. $1,000,000
Mex. $3,000,000
Roubles 50,000.000

Loans secured by Mines and Industries
Yen 114,000,000
£ 4,000,000

Not all of the these are secret loans, of course. Yet none of them was contracted with sufficient publicity as attends foreign government loans. Contracts were signed; large sums of money were turned over to the government and speedily spent; while the people may have yet no knowledge of the existence of such loans. Ratification by the parliament is often wanting, and even when there was it was often done after the transaction was already closed. Just as the budget should be promptly submitted and passed by the legislature, so must also all loans, especially foreign loans, be sanctioned by it. The former gives only part of the account, while another part, in recent years a very large one, consists of revenue from secret foreign loans and appropriations for secret military and party expenditures. The figures given and, "rebudgetary legislation" are bad enough, but they would be infinitely worse if the whole story be told. It is, therefore, absolutely necessary that the people, through a really representative parliament, should have strict control over all loans made by the Central as well as the Provincial governments.

It is the rule now that all public accounts must be audited every month by the Bureau of Audits, and of the fiscal year it will also examine the budget as it is executed. The time limit for all government offices to hand in their monthly accounts to the Bureau is 15 days after the month is over, that for annual accounts, which are to be handed in through the ten Central government departments, (the nine Ministries and the Chief of Staff's office) eight months after the closing of the fiscal year. The different offices must also send in estimates of expenditure for the month before the fifth day of every month. Special rules for auditing public debts are provided for. All government accounts, except certain special cases, as railway accounts, are to be kept according to one standard system, and all items in them must be supported by vouchers signed by responsible parties, for lack of which, in specially provided cases, adequate explanation must be made by the person through whom the transaction is made. So far, therefore, as rules and forms are concerned, the existing system of auditing is as good as any that may be proposed.

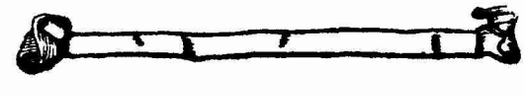
What is lacking is greater actual power for the Bureau and proper protection for its auditors. So long as the latter may be dismissed at the pleasure of the Chief of the Bureau, who in turn has no protection against outside interferences, so long will they be unable to fulfil their duties properly. Concerning this the special provisions for the organization of the Bureau (promulgated June 16, 1914), are silent. As to its power, the Bureau may go as far as to charge, with the sanction of the President, damage to any official for misappropriation of public funds, which may or may not amount to embezzlement. The original provision is worded in the most vague manner, to translate which we have to use word, 'misappropriation,' in the broadest sense also. This should be enough to check corrupt practices in financial matters, but as a matter of fact the Bureau could very rarely make use of this provision. To increase the efficiency of the Bureau, it must be made entirely independent of the executive department, free from all political influences, and tenure in the Bureau should be based on good behavior only. The Chief of the Bureau should be removable only through impeachment by the Parliament. In other words, the public auditors should enjoy something like the protection usually afforded to members of the judiciary. When, under these conditions, the Bureau is enabled to fulfil its duties properly, and when the Parliament, through impeachment, is able in turn to hold the Bureau responsible, there will be no more need of direct inspection of government accounts by the people themselves.

The sixth item emphasizes the importance of a special kind of appropriations, namely, those for educational purposes. As we have already shown, educational expenses amounted only to one-eightieth of what is spent on the army organization. The percentages of educational appropriations to the total public expenditure, as provided for in the budgets for the different years, were as follows:—

1912	2 percent+	7.4	million	dollars,	in round numbers
1913	1 percent+	6.9	„	„	„ „
1914	1 percent—	3.3	„	„	„ „
1916	3 percent—	12.8	„	„	„ „
1919	1 percent+	6.8	„	„	„ „

For a country with 400 million people, with such a large percentage of illiteracy, and yet only from 1 to 3 percent of the public expenditure is devoted to educational purposes. As a result, there were, according to the statistics of the Ministry of Education for 1914, only three million odd students in the 22 provinces and four special administrative districts (the Metropolitan District, Jehol, Chahar, and Suiyuan). This is less than 1 percent of the total population, if we may take it at the generally accepted figure of 400,000,000. The expenses on education for the year were also less than 1 percent. For the same year, the military expenses amounted to 38 percent of the total expenditure, which went to the support of less than a million of idle soldiers. Thus on each soldier enough money is spent to educate, on the average, 114 students. Disbandment of one division of soldiers would save a sufficient amount to train up more than 1,000,000 students, or, according to the calculations of the Peking Students' Union, to maintain a university for four or five years. The country should spend at least as much for the education of its four hundred millions as it has been spending on the four divisions of the Anfu Frontier Defence Army.

All the above problems may be left to the National Delegates, Convention to solve. The number of troops to be disbanded; the abolition of the Tuchuns by transfering all troops to the control of the Ministry of Army, or by organizing the whole country into four huge military sections with four military chiefs instead of 25; the kind of taxes to be reformed or introduced; the amount of legislative control to be exercised over the budget and over foreign loans, as well as the amount of publicity that should be given to such matters; and finally, the proportion of public revenue to be spent on education and other developmental functions of the government:—all these are fit subjects of discussion by the people when there is no recognized parliament for the North and South united. The government naturally has its own policy concerning these matters, and may therefore refuse to carry out the decisions of the Convention even when it may approve its convocation. But, if these decisions represent true public opinion of the country, they will sooner or later be enforced in spite of such obstacles. At present there is more chance of co-operation between the people and the government, and hence we hope that, through the Convention, a definite and comprehensive program of financial reconstruction may soon be carried out.



The Present Government of the Philippine Islands

BY FRAZIER HUNT

Special Correspondent, the *Chicago Tribune*

TO all intent and purposes the Filipinos today are self governing—and taking everything in consideration they are doing a fairly satisfactory job.

Most of the work of running these scattered islands with their 11,000,000 people is in the hands of the Filipinos. There are still a few score of American officials but they are retained because the Filipinos themselves want them to remain. Of the different government bureaus only those of Education, Audit and Science are headed by Americans.

Governor General Harrison has tremendous powers of veto but he has exercised them very little. He and the other American government officials here have attempted to carry out the full spirit rather than the letter of the Jones Law. There has always been a certain amount of silent pressure exerted which has tended to steady the local government and to smooth out the most glaring defects.

There is no denying that there have been and are great defects in the Filipino government. In the first place is an autocratic, one party government with the real power pretty well centered in two men—the President of the Senate and the Speaker of the House. Outside of the ranks of this one Nationalists party there has been very little opposition, and this has resulted in the party being the government. The one thing that has tended to steady things down has been a silent, continued struggle for power between the two party leaders.

The Jones Law, passed by Congress four years ago, not only pledged independence to the Islands when "a stable government" has been established but, with the exception of strong veto powers of the Governor General, gave practical autonomy to the islands. Following the arrival of the present Governor General the majority of the old American officials either resigned or were shown the way out and the reins of the government were turned over to the Filipinos.

Many of these new officials were politicans without any great experience in executive work. Some had been trained under old Spanish ideas, but there were a considerable number who had worked with the American officials and had been inspired with American ideas and ideals.

These men as a whole have carried things on fairly well. There are many old timers here in the islands who believe the second that the American flag is hauled down that the islands will simply slip in the sea and be lost forever. My own investigations tend to show that while the Filipino official is not as vigorously efficient and probably has not the moral courage and daring for right and justice that the best of Americans have that there is no proof that he is not going to carry on a fairly reliable and healthy government.

The government has far too much favoritism and party loyalty and there is unquestionably a good deal of bribery and graft and numberless election frauds. But these are all the ills of young countries and there is no fundemental reason why the islands cannot eventually outgrow these evils.

Under the Jones Law the islands are governed by the Philippine Legislature consisting of an upper house of twenty-four Senators, elected for six year terms, and a lower house of 90 members, elected for three year terms. Executive powers of appointment and veto are placed in the hands of the Governor General, who is appointed by the President of the United States. The different provinces, corresponding to American states, have locally elected governors, while the 900,000 non-Christian people of the islands are governed by Governors appointed by the Governor General.

Both in the matter of appointment and veto the present Governor General has bent to the wishes of the Filipinos. It is understood that when he was sent out here seven years ago he came under the definite instruction from President Wilson to make the islands actually self governing. This policy has brought down upon him the most intense criticism of the American business men here.

But it has resulted in giving the Filipinos seven years of practically full governing experience. The influence of his office has been a great steadier, but nevertheless the actual work of running the government has been by and largely in the free hands of the Filipinos.

As they have been in all the twenty years of American civil government here, the islands are self supporting. The government of the United States has spent no money here except for the upkeep of the U. S. army and navy and for pure military purposes. What might be called the Insular government has always paid its own bills out of pure Filipino revenues.

Today there is practically independence in the islands—the Filipino flag flies alongside the American. But men are still mouthing that most magic word in the world *independencia*. And no mother nation so far in the world has ever found an answer to that word—except the echo of the word itself.

Manila, P. I. August 15, 1920.

News from North China

Dr. Paul S. Reinsch left Peking last Saturday for America. It is understood that he intends to resign his post as Political Adviser to the Chinese government.

The new Minister of Foreign Affairs, Dr. W. W. Yen, has formed a commission for the study of Sino-Russian treaties and relations. The Commission will work under his direction.

J. C. Ho has been appointed associate director of the Peking-Hankow Railway and also secretary to the Minister of Communications. He will retain his position as secretary to the President.

By Mandate issued on September 2, General Wu Pei-fu, Commander of the Third Division, was appointed Deputy Inspecting General of the Three Provinces of Chihli, Honan and Shantung to assist General Tsao Kun.

Hsu Mai-lin, Civil Governor of Kirin, was relieved of his post by a Mandate issued on the evening of September 1, and General Pao Kuei-ching, Military Governor of Kirin, was appointed to act concurrently as Civil Governor in Mr. Hsu's place.

Jao Ngen-tzo, who was appointed by the Anfu Ministry of Finance some time ago to study financial conditions in the United States, and Hsu Eng-pei, who was appointed to study banking affairs in America, will soon be dismissed by the new Minister of Finance.

C. C. Wang, assisted by foreign advisers, has been instructed to investigate the accounts of the Peking-Hankow and Peking-Suiyuan railways. Owing to the departure of Mr. Wang for Harbin

Mr. Lai Kuang-yu will be temporarily in charge of this work.

Dr. Hawkling L. Yen of the Waichiaopu will be appointed Chinese Secretary to the League of the Nations and he is leaving for Europe with China's appeals concerning Shantung and other questions soon. He will be given a Ministerial rank by the government.

Marquis Burazzo, the new Italian Minister, (lately promoted from Charge d'Affairs) presented his credentials to the President on August 30. Dr. W. W. Yen, Foreign Minister, and Huang Kai-wen, Grand Master of Ceremonies, accompanied the Italian Minister.

President Hsu has ordered the appointment of a military commission, under Chairmanship of Premier Chin Yun-peng, to consider further steps for the disbandment of superfluous troops the defining of military districts and the establishment of a military court to deal with military offenders.

Hu Wei-teh who has been appointed Minister to Tokio has been requested by the government to take over his office within a month. It is anticipated that one of the questions he will deal with first will be the extraditing of the Anfu Leaders, now the guests of Mr. Obata in the Japanese Legation.

B. F. Best, manager of the Kobe branch of the Anglo-American Commercial Corporation of New York, and Mrs. Best will leave Kobe on the *Sagami Maru* for Tientsin next week. After spending a few weeks in touring through China, Mr. and Mrs. Best will leave thence for the United States by way of Suez and Europe.

An interesting wedding took place on September 2, at Peking of M. Jean Redelsperger, Peking agent of the Kailan Mining Administration, and Mlle. Lucie Samon, of Paris. The ceremony was performed in the Church of St. Michael, and was largely attended. A reception was held afterwards at the Grand Hotel de Pekin.

The government here received a report from Admiral Liu Chien-chang, Commander of the Chinese squadron at Vladivostok, stating that the last batch of the Czech forces left Vladivostok on August 26. The Admiral recommended that as there are no foreign troops now in Siberia with the exception of the Japanese, the Military Pact be cancelled.

A committee has been appointed, to deal with international communications by the order of Yeh Kung-cho. The principal work of the committee will be to investigate questions of international communication submitted to the League of Nations. Yeh Kung-cho, Minister of Communications, or Hsu Shih-chang, Vice-Minister, will be chairman of the Committee.

The Tientsin Tennis Club and the Japanese Tennis Club met in singles on the afternoon of September 2 and the former won all three games. The results given below, together with the two wins in the doubles the previous day, make a decisive victory for the Tientsin Tennis Club. Results: Leslie beat Oshima 6-4 and 7-5. Rasmussen beat Inutzuka 6-4 and 6-4. Way beat Kobayashi 6-2, 2-6 and 6-2.

Peking Parliament adjourned on the morning of August 30. There is no possibility for its continual existence. A new Parliament will be elected to take its place. Premier Chin Yun-peng attended as Premier and representative of the President. All the other Cabinet Ministers were present with the exception of Fan Yuan-lien, Minister of Education. The Premier read an address from the President and one on his own account, both of which were of a purely formal character.

The Government University, Peking, on Monday morning, conferred the Honorary degree of Doctor of Science upon M. Painleve and Mr. Joubin, Director of the Lyons University. As M. Joubin had already left China his degree was handed to M. Painleve. Mr. Tsai Yuan-pei, Chancellor of the Government University, presided and there was a distinguished gathering of Chinese and foreigners present, including Fan Yuan-lien, Minister of Education and several members of the French Legation staff.

Monsieur Painleve, former Prime Minister of France, departed from Peking on Wednesday afternoon for Shanghai by way of Tientsin, and will leave China for France after stopping at Shanghai for a few days. Both at the Peking and Tientsin stations, Monsieur Painleve met with very friendly manifestations from the Chinese and French communities. Before his departure from Peking, he brought to the knowledge of the President that the University of Paris had conferred upon him the highest degree of "Docteur Honoris Causa."

Hon. Charles R. Crane, American Minister at Peking, wrote on September 2, to Father Ceny, who is engaged in relieving famine-stricken people the following: "I have been hearing much lately of the deplorable situation among the country people and am much interested in your own efforts to lighten the great distress. I know that immediate aid is necessary and a hard winter is sure to be ahead of them. Please let me know from time to time how your work is getting on, as I am sure that the American community will be anxious to help." As a sign of his sympathy, Mr. Crane enclosed a thousand dollars to be used for relief purposes.

Chang Yin-sung, formerly chief secretary of the House of Representatives (brother-in-law of General Hsu Shu-cheng) was arrested by the Peking Gendarmerie in a Japanese residence in Hsi-la Hutung on September 1. He is the second sub-leader of the Anfu Club, who was arrested in a Japanese house. His arrest was made when he was on the point of leaving for Japan to join General Wang I-tang, former Northern Chief Delegate. This will probably lead to fresh complications between the Chinese Foreign Office and the Japanese Legation on the ground that the said private residence of a Japanese subject had been entered by the police without previous arrangement.

The Committee of the Tientsin Students' Association held a meeting at the Anglo-Chinese College on the afternoon of September 1, at which some twenty were present, including Messrs. Ma Chun, Chang Shih-tu, Huang Hui and Li Chih-chang. Mr. Ma Chun calling the meeting to order, asked the members to persuade students, when they come back to Tientsin after the vacation, to resume their activities towards accomplishing the object of the association. The re-election of various committees was carried out, and the resolution of encouraging savings among students, the funds so saved to be invested in the enterprise to improve home products, so as to turn out articles to be substituted for foreign goods, and urging the people to use home articles and support the National Convention, was unanimously passed.

More than fifty distinguished foreign residents and Chinese inspected the new dyke, 25 li in length, extending from the provincial prison at one end to section house N. 4 on the Liang wang-chwang Chen-

tang-chwang branch of the Tientsin-Pukow Railway on Wednesday afternoon. The dyke was built by the Chinese gentry for the protection of the city of Tientsin against floods. Among those who inspected the dyke were the British, American and French Consuls-Generals, the Japanese Vice-Consul, F. W. Maze, Mr. Peters of the Jardine Matheson and Company, Mr. Woodhead, a number of Japanese correspondents, and representatives of the foreign chambers of commerce, the Speaker and Vice-Speaker of the Provincial Assembly, the Commissioner for Foreign Affairs, the Police Commissioner for Chihli, the Taoyin, and the Magistrate of Tientsin.

A two million dollar American loan is reported according to the Peking correspondent of the *China Advertiser* a Japanese daily in Tientsin. "Your correspondent learns from a reliable source that the loan was originally negotiated between the Hupeh government and the Hankow branch of the Asia Banking Corporation, the negotiation of which was transferred to Peking on August 21. The amount of the loan is two million American dollars, bearing annual interest at 5 percent, and to be repaid in five years. The loan is secured by the Hupeh mint. One half of the loan proceeds is to be turned over to the Central government to be used for administrative expenses, and the balance for the expenses of disbanding the troops under Chang Ching-yao and Wu Kuang-hsin, etc, by the Provincial government." This news, coming from a Japanese source, needs to be confirmed, for it has been the practice of the Japanese newspapermen to circulate rumors of like nature during the last two years.

Peking, September 4, 1920.

News from Central China

Boone University, Wuchang, was opened for the fall term of 1920 on September 3. Both collegians and students of the Boone Middle School have returned to commence their work.

In the budget of the Hupeh government, the annual appropriation for educational purposes is $728,800 of which $133,000 is used in training students abroad, mostly in America and Japan.

The Changsha Embroidery Company of Hunan have opened their office in Hankow, which is being attached to the Pacific Trading Company, importers, exporters, contractors and engineers, organized by American trained engineers.

Ho Pei-yung, Civil Governor of Hupeh, has been relieved of his post of governorship by a Presidential mandate this week on account of his association with the Anfu Club. He is succeeded by Mr. Seng Chun-chia, tao-yin of Shasi and Ichang.

Officials in Wuchang are making preparations for the celebration of Confucius' birthday which falls on September 16, this year, Orders have been issued to magistrates in the province instructing them to take proper steps to observe the birthday of China's Great Sage.

The Wing On Company, a large modern department store managed by Chinese in Canton having a branch in Shanghai, is planning to open a store in Hankow. A representative of the company has been sent to Hankow to secure a suitable site for erecting their Hankow store.

Several group of students who advocate progressive and democratic ideas have been dismissed by some middle schools for fear of further student agitations in this center. It is anticipated that no active part in the national student propaganda will be taken by students here.

The Chinese press reports that the murder case of the Reverend William A. Reinert of the Lakeside College, an educational institution of the American Reformed Church Mission at Yochow City, Hunan, by Chinese troops in June has been settled by the Chinese government at Peking, $45,000 having been paid by the latter as indemnity.

Chinese in Huang-pei, birth place of ex-President Li Yuan-hung, are protesting against the navigation of inland waterways in that locality by the Asiatic Petroleum Company, the protest being lodged with the Commissioner of Foreign Affairs in Hankow. The petition of protest has been forwarded to the governors at Wuchang.

Bad harvests are reported from both the upper and lower parts of Hupeh province. Since the sowing season, drought ensued and continued without break. Accompanied by the excessive heat experienced this summer, the drought has resulted in the earth becoming so parched up that the prospects for the coming crops are meager.

Presidents and principals of government schools and colleges in Wuchang met in a conference in the Educational Office to discuss measures and precautions for avoiding another student movement on the opening of the fall term. It has been decided that authorities of each school should be held responsible for obedience and good behavior of their students.

According to a telegram from General Chen Kwang-yuan, Military Governor of Kiangsi, to Peking, serious fighting in the South near the Kiangsi border is threatening peace in southern Kiangsi. General Chen urged the government to despatch well trained troops to Kiangsi to recruit the defence force, and to remit money to pay up the arrears of soldiers.

With reference to the killing of a Japanese shipping officer during the recent fighting in Hunan, General Tan Yen-kai of Changsha refuses to take orders from the Peking government on the ground that Hunan is independent of the North. Hence General Tan has ordered his English secretary to discuss terms of settlement with the Japanese Consular official at Changsha.

The magistrate of Hankow requested the governor in Wuchang last week to consult with the consular officials in Hankow to enforce anti-opium regulations in the concessions where the opium trade is growing in spite of municipal regulations. It is understood that the consular officials have promised to help in suppressing opium and morphia traffic with the areas under their respective jurisdiction.

L. C. Gillespie and Sons of Hankow, agents in Hankow of the Pacific Mail Steamship Company, who cleared the *West Neris* for San Francisco last week, stated that the *West Ivis* which arrived this Monday will load directly at Hankow before sailing for Tacoma. The *Elkridge* has also arrived will take cargo from Hankow for New York, while the *Aquarius* will load for Western European ports.

It is reported that the government after deliberate considerations had decided to place the Bureau of Reconstruction of Hankow under the direct control of the Ministry of Agriculture and Commerce. Chang Kuo-kan, who was formerly appointed director of the bureau, has been transferred to another post in Peking. It seems that the scheme for reconstructing Hankow will be held in abeyance for some time to come.

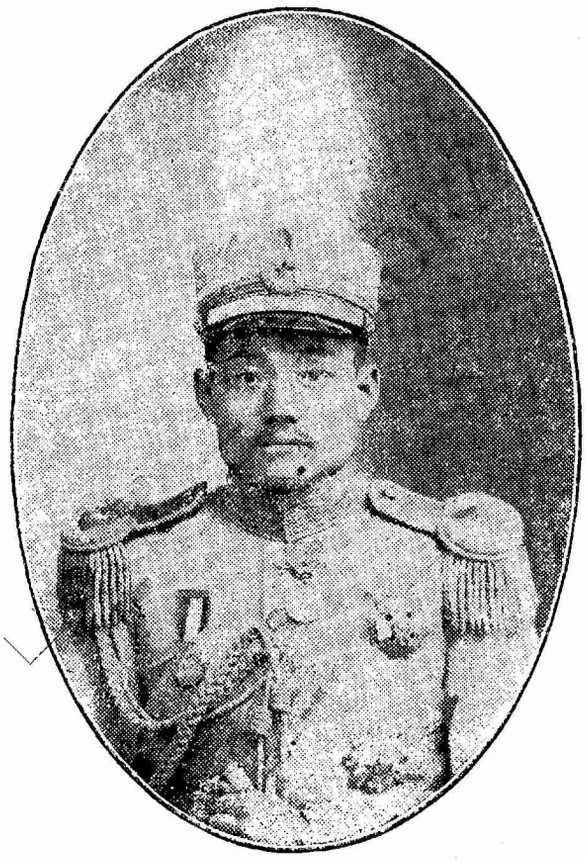
Wong Kwong, general manager of the Yangtze Engineering Works of the Seven-Mile-Creek, has bought 1,000 fong of land near by for extension of the works. The Yangtze Works intend to put up a new furnace for manufacturing steel for the supply of which they have been dependent upon the Hanyang Iron and Steel Works thus far. The new furnace has been ordered from England, and will be on hand by the end of the year.

The Hsiang-pei-shan Mines, the greatest mining enterprise undertaken by the Government Mining Bureau of Hupeh, held the opening ceremony on September 3, at the Mines at Hsiang-pei-shan near Huang-shih-kong on the Yangtze River. A party of more than one hundred M. P.'s of the Provincial Assembly of Hupeh attended the ceremony and inspected the mines and the many modern mining devises including a transportation railway connecting the Hsiang-pei-shan mines and the Yangtze River.

Pursuant to a Presidential order General Wang Chan-yuan of Hupeh instituted a special military court and tried General Wu Kwang-hsin of the Anfu Club, who attempted rebellion in Hankow during the recent Chihli-Anfu conflict. Wu Kwang-hsin denied all charges brought against him, and set up for his defence the argument that what he did was dictated to him by his superior commander Field Marshal Tuan Chi-jui, and if what he did was considered guilty and punishable, the charge should be brought directly on Marshal Tuan, his relative. The court was dismissed for further hearing, and Wu Kwang-hsin is still in imprisonment at General Wang's yamen.

Hankow, September 4. 1920.

Who's Who in China



General Chang Ching-yao, who has caused untold sufferings to Hunan people, and was partly responsible for the recent strife in North China.

(張敬堯)

General Chang, a native of Anhwei, attended the Military Academy at Paotingfu in his early youth. His military career before the first revolution in 1911 was none too promising. But, after the establishment of the Republic of China, he was promoted from one rank to another with unbelievable rapidity.

From the position of a non-commissioned officer, General Chang was promoted to the rank of Lieutenant-General in August 1913 and given the brevet rank of Major-General in August 1914. During that period, he commanded the Second Regiment of the Eleventh Brigade of the Sixth Division.

A little later he was promoted to be Commander of the Third Mixed Brigade, and at the same time was appointed Garrison Commander at Nanchang, Kiangsi. Before he had time to thank his star for the good luck, he was promoted to be commander of the Seventh Division. For a time he made his headquarters at Kaifeng, Honan, where he fought the White Wolf brigands.

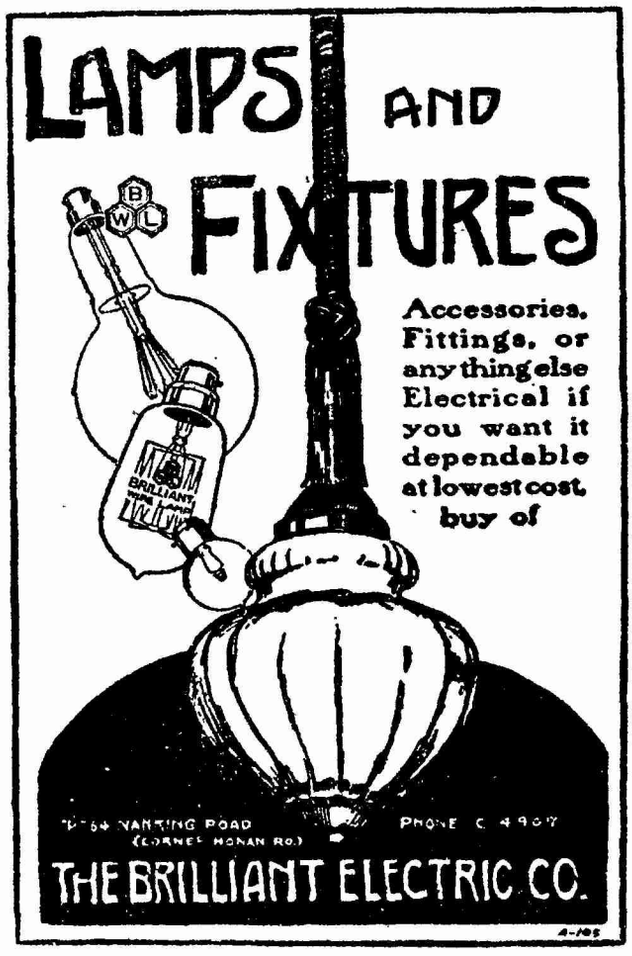
In 1917, Chang Hsun restored Hsuan Tung, former Manchu Emperor, to his throne. The Emperor appointed General Chang Ching-yao, Commander-in-chief of the Yangtse Patrol. The first message of congratulations on the re-establishment of the monarchy was despatched by General Chang.

Through the influence of Marshal Tuan, General Chang was allowed to retain his post after the failure of the Monarchical restoration, although other generals who showed the least sympathy with the monarchists were dismissed.

In July 1917, General Chang became Director-General for the Suppression of Tufeis in the territory bordering the provinces of Kiangsu, Anhwei, Shantung and Honan Later he was appointed Lieutenant-General of Charhar. Concurrently he retained the Command of the Seventh Division.

Upon the commencement of hostilities between North and South China, he was sent by the Peking government to Hunan as Commander-of the rear troops. Shortly afterwards, Changsha was lost to the South. General Wu Pei-fu's troops recaptured it, but General Chang got the credit for this victory and was appointed Military Governor of Hunan. This unjust treatment of General Wu called forth much criticism from the people and was somewhat responsible for the final withdrawal of General Wu's troops, from the Hunan front. As a result of the withdrawal of General Wu's troops, General Tan Ya-kai, southern Commander, advanced and expelled General Chang from Hunan in May 1920, General Chang is now a refugee in a foreign concession at Hankow.

During his administration in Hunan as Military and Civil Governor, General Chang openly robbed the people, ordered the farmers to plant opium, extorted money from the merchants, and caused other sufferings to innocent provincials of Hunan. He committed all these acts under the protection of the Anfu Club in Peking. In order to dissolve that political party which has been bringing untold sufferings to the country in general and Hunan in particular, General Wu withdrew his troops to Paotingfu and then sent them to Peking, which led to the present strife in North China.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Week's News Summary

CHINA

September 2. Canton dispatch says Military government forces are causing Chen Chung-ming to retreat toward Swatow.——Tuchun Lu Yung-hsiang of Chekiang charges Italian naval authorities in Shanghai with illegal sale of arms and munitions.

September 3. General Chen Chiung-ming as Shanghai Cantonese for $200,000 for military expenses.——Tientsin dispatch says famine is sweeping Honan, Shantung and South Chihli provinces.

September 4. General Wu Pei-fu appointed assistant Inspection Commissioner for Chihli, Shantung and Honan by Presidential Mandate.——Canton reports attempt to mine Chinese gunboats in Whampoa.

September 5. Wen Tsung-yao, Canton Foreign Minister, predicts peace between North and South within a month.

September 6. Son of General Chang Tso-lin marries daughter of General Tsao Kun.——Second Russian delegation reaches Peking to assist in making commercial treaty.

September 7. China asked by Russian delegation to aid in cementing government to preserve Siberia, Peking dispatch says.——Chen Lu appointed Minister to France.

September 8. General Wu Kwan-hsin, brother-in-law of Tuan Chi-jui, given fifteen years imprisonment for attempt on life of Tuchun Wang Chuan-yuan of Hupeh.——Peking politicians, dispatch says, plan convention for unification of China.——Foreign aid may be sought for relief 2,000,000 people said to be starving in North China.

SIBERIA

September 2. Tokio dispatch says General Semenoff and thirty officers wounded by bomb explosion at China.

September 3. Tokio reports says Semenoff safe.

September 4. Vladivostok dispatch says new Far Eastern government will depend on will of peasants.

JAPAN

September 3. Viscount Kato says Japanese diligence source of ill feeling in California.

September 7. Japanese sea captain arrested at Hongkong for having $250,000 worth of opium aboard *Shena Maru.*

GENERAL

September 2. Rioting at Belfast grows worse with 18 killed and 200 wounded;——London dispatch says Soviet Council is established in Great Britain at Yorkshire, London and Scotland;——Cost of war to Europe placed at £20,000,000,000.

September 3. Ulsterites fire houses of Roman Catholics in Belfast rioting.——Secretary Daniels says U. S. Navy expansion program will be carried through.——Coal miners in America and great Britain threaten strike.——Polish-Russian front quiet as both prepare for new offensives.

September 4; D'Annunzio announces plan for Fiume as Italian Regency of Carnaro.——Poles clash with Lithuanians at Augustowo, Carnar.——Germans reported to be selling goods under "Made in U. S. and England" marks to injure trade of two countries.

September 5. German Minister for Foreign Affairs charges Soviet Russians with attempt to revive recent European war.——British railroad men and dock workers join miners in strike movement.——Town of Ballaghadereen, Ireland, fired as reprisal for killing of two policemen.

September 6. Naples dock workers clash over Union resulting in casualties.——Situation in Mespotamia reported improved.——Polish dispatch says Russian peasants are rising against Soviet forces.

September 7. New state of Greater Lebanon created by French with Beirut as seat of government.——September 25 set as date for strike of coal miners in England.——Rioting continues at Belfast with more casualties.

September 8. Arabs unite for attack on French at Damascus.——Lithuanians continue attack on Poles, Warsaw silent.——League of Nations Council seeks funds to check typhus epidemic in Poland and Galicia.

14-076

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14-077

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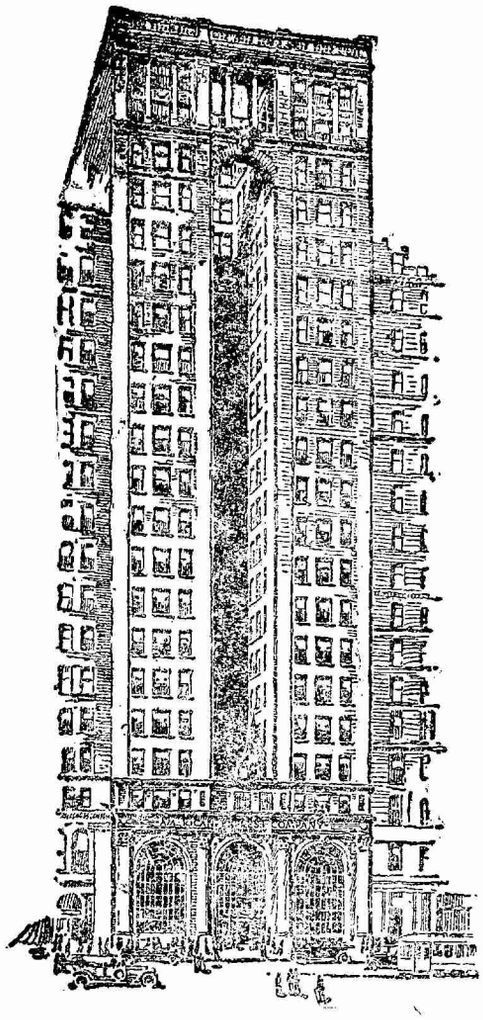

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14-078

Men and Events

Judge Charles S. Lobingier of the U. S. Court for China, returned to Shanghai from Manila on Wednesday, September 8.

Arthur Bassett of the British-American Tobacco Company, Shanghai, departed for North China, Dairen, Mukden, and Harbin on Sunday, September 5.

L. G. Cousins of the British-American Tobacco Company returned to Shanghai this week after a three weeks vacation spent in Tsingtao and Dairen.

Monday, September 6, being Labor Dav, the offices of the American Consulate General, United States Court for China, and the American Post Office Shanghai, were closed.

Roland S. Homet of the Standard Oil Company of New York, stationed at Chungking for the past year, arrived in Shanghai this week enroute to America on leave. He is staying at the Astor House.

C. W. Boden of the Robert Dollar Company, Shanghai, departed on a three week's business trip to Hongkong, on the *s. s. Empress of Japan*, on Sunday, September 6. He was accompanied by Mrs. Boden.

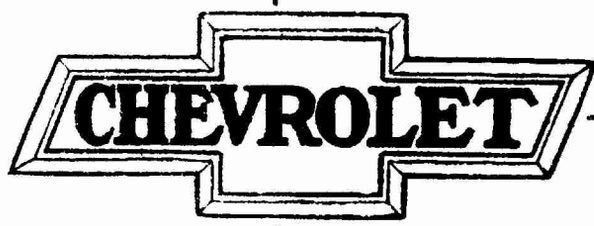
A celebration of Balboa Day on September 17, in the form of a general meeting and dinner is planned to be given by the Pan Pacific Union at the Great Eastern Hotel, Shanghai. Arrangements for the meeting are in charge of Y. C. Tong, Dr. T. H. Le[illegible] and A. Bassett.

A dinner was given in the honor of M. Paul Painleve, former Premier of France, at the Chinese Naval Club, Bubbling Well Road, Shanghai, on Tuesday evening, September 7. The hosts were General Ho Fung-ling, local Defense Commissioner and Hsu Yuan, Commissioner of Foreign Affairs.

Charles H. Magee, former director of the Bureau of Education of the Philippine Islands and purchasing agent for the Philippine government, arrived in Shanghai on his way to Manila on the *s. s. Empress of Japan* on Sunday, September 5. Mr. Magee, has been doing quarter-master work in New York during the war. He is staying at the Astor House.

Among those arriving in Shanghai on the *s. s. Empress of Asia*, on Sunday, September 5, were, T. F. Cobbs of the British-American Tobacco Company, Shanghai, and Mrs. Cobbs; W. P. Chen, editor of the *Christian Advocate*; Mrs. I. G. Riddick, who will proceed to Hankow to visit her son I. G. Riddick of the British-American Tobacco Co. and Mrs. Riddick.

Dr. James B. Webster, who has done special work in connection with the East China Education Association, Elam J. Anderson, director of schools in the American Baptist Mission, Professor C. H. Westbrook, Ph. D. from Harvard University, Massachusetts Institute of Technology and Hollins College, Virginia, arrived in Shanghai recently where they will become members of the faculty of Shanghai College, (Baptist).



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IF you like the distinctive in closed cars, you'll like the "FB 40" Sedan. Built into it, you will find a quality of dignified beauty, of unusual comfort and year-round convenience which you have undoubtedly associated with only the higher priced closed cars.

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Paid-Up Capital.....$1,020,000.00
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SOLE AGENTS

The *North China Produce Bulletin* is the name of a new publication, the first number of which has been announced for September 15, started in Shanghai recently. The journal will be a bi-weekly report on prices and exports of sundry North China raw products, giving current market rates, conferences freight rates for them, and including exchange reports and sailing schedules. The publication will be under the direction of George T. Lloyd, editor of *Lloyd's Weekly*.

Professor Fu Chuan Chou, teacher of Chinese history at Syracuse University, recently left the University on a lecture tour of the States. He will speak on "Foreign Missions," in several of the mission study camps while on the trip. Mr. Chou has gained a wide reputation for his lectures on Chinese subjects in America. He is a graduate of Peking University, and was a professor of that University for ten years before going to America. He is writing a thesis on "Chinese Education."

A presentation of the views of the leading Japanese diplomats and business men on Japanese and American friendship characterized the special edition issued by the *Yomiuri*, the liberal newspaper of Tokyo, published on August 20, in honor of the visit of the American Congressional Party to Japan. The edition is excellent in make-up, profusely illustrated and contains many valuable articles. Practically all of the larger newspapers of Japan published editions in English upon the arrival of the Congressmen.

Many foreign students were awarded degrees at Syracuse University at their commencement exercises on June 16, four of whom were Chinese students, two French and one Hindu. Hsuan Wang of Shanghai, was given the master of arts degree. Mr. Wang having been honored by his own government with a national scholarship in railroading and already has an A. B. degree from Syracuse University. T. S. Yang who received a Ph. D. degree, H. C. Cheng, an M. A. degree, and T. H. Au Yong, were the other Chinese students. The French students were both women students, who received the degree of master of arts. The Hindu student is K. A. Menon, awarded an M. A. degree.

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Unlined barrels absorb oil.

2.—Paint entire barrel surface with a good body paint.
Unpainted barrel staves absorb moisture thereby producing expansion and later contraction.

3.—Provide adequate space allowance for expansion of oil.
Overfilling of barrels is the most common cause of their leaking.

4.—Store all filled barrels under cover.
Direct sun exposure causes excessive expansion of contents, also affects wood of barrel.

5.—Demand proper stowage for shipment.
Heavy loads bearing on the bilge of a barrel will open its seams.

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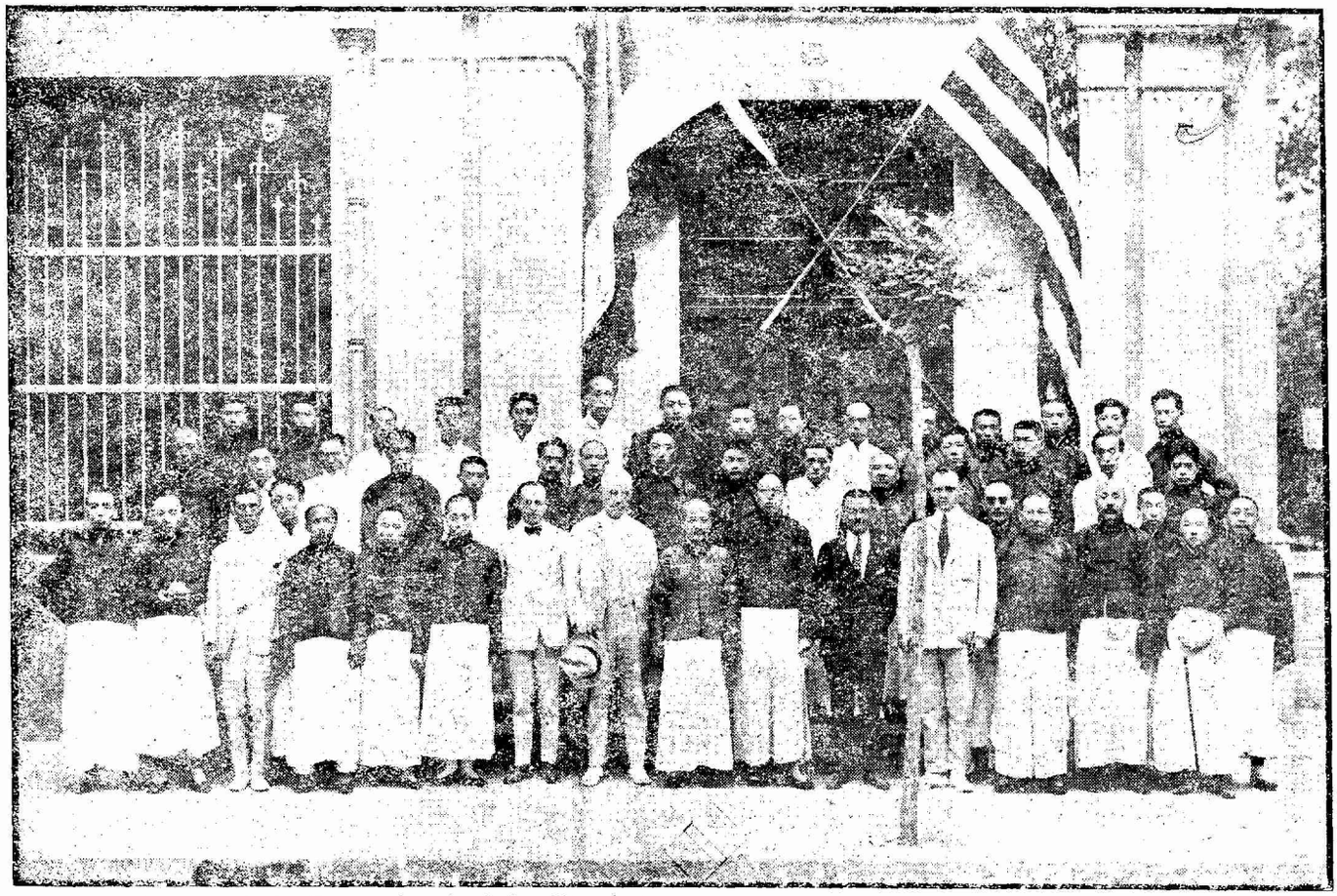
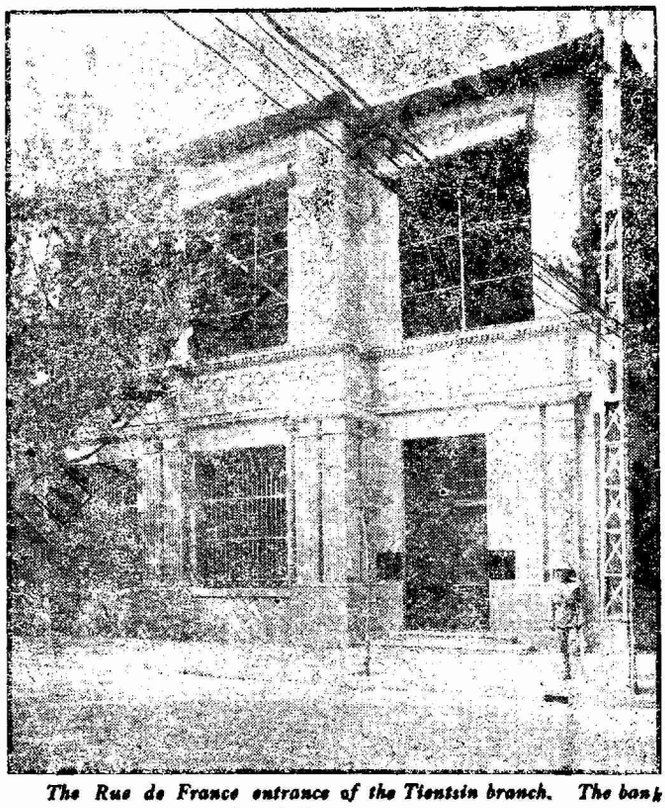
14-081

Chinese American Bank of Commerce

TIENTSIN BRANCH



The staff of the Tientsin branch of the Chinese American Bank of Commerce, taken on the opening day, August 10. The group includes: Henry A. Allen, manager of the Shanghai branch; J. A. Thomas, American vice-president; Hon. Chien Nen Shun president of the bank; Chang Chih-cheng, manager Tientsin branch; A. B. Fisk, assistant manager Tientsin branch; and W. D. Swanson Peking Head Office.



The Rue de France entrance of the Tientsin branch. The bank also has an entrance on Rue Dillon.

Chinese American Bank Branches Opening

Marking a definite step forward in Chinese and American commercial and financial relations, two branches of the Chinese American Bank of Commerce have been opened within the month past. The first branch was opened at Chentow. The opening of the record branch was in Tientsin on August 10. This was followed by the opening of the third branch at Hankow on September 1.

The Shanghai branch is expected to hold its opening between September 15 and October 1, upon the completion of the work now being done on its building at 11 Nanking Road. The home of the Shanghai branch was acquired last spring and has been remodeled under the direction of R. A. Curry, architect, in accordance with the latest plans for bank housing.

The institution was incorporated by American and Chinese interests under a special charter of the government of China on April 12, 1919, by a group of American and Chinese financiers and banking institutions. The Peking or head office of the institution was opened late in the year of 1919 and plans perfected for the establishment of the various branches. A fifth branch is to be opened soon in Canton and another at Tsinanfu. The officers of the institution are: Honorable Chien Nen-shun, president; James A. Thomas, American vice-president; Hsu Un-yuen, Chinese vice-president.

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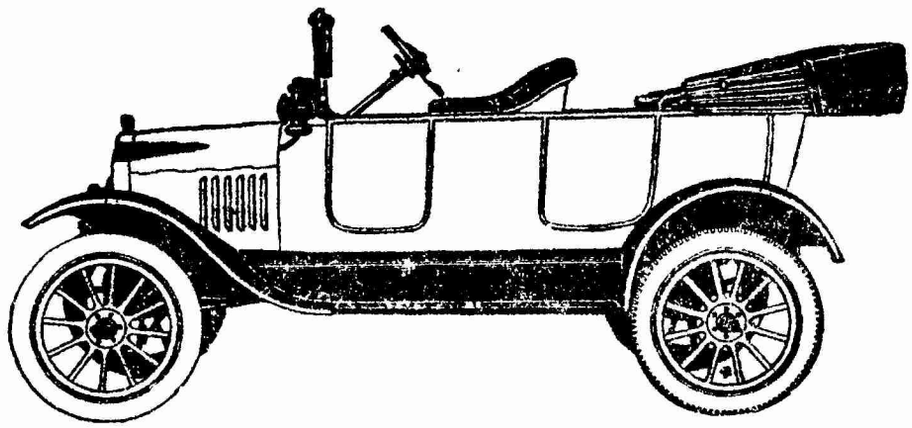

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LABOR TROUBLES Have Caused a Shortage of Materials and a Consequent Shortage of Production on

Corona Typewriters.

This situation will not be relieved for many months—DEMAND EXCEEDS THE SUPPLY.

The small shipment which arrived on the s. s. "MOORISH PRINCE" has been placed with our dealers—we recommend placing your order immediately if you want one of these

Personal Writing Machines.

You probably know the Corona—almost everyone does and realizes it has no competition. Get yours now before they are sold out. We have no advices as to when another shipment will arrive.

The following dealers can supply you if you act quickly;

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14-084

Dr. Freeman of Pittsburgh to Head Shanghai Community Church

Dr. Luther Freeman, formerly connected with Boston University, but for several years pastor of one of the largest churches of Pittsburgh, Pa., has been engaged to act as pastor of the new Shanghai Community Church. He is expected to arrive in Shanghai accompanied by his wife and daughter about the end of October to take up his duties. Dr. Freeman comes to Shanghai highly recommended by his own church organization and also by several members of the Shanghai community who have been in America for the past year and who are acquainted with him.

The Shanghai Community Church is a direct outgrowth of the American Song Service organized by Americans about three years ago. The original attendance of twenty has now grown to an average Sunday attendance of approximately 300 and the definite movement for the organization of a union community church organization began several months ago. A business meeting of members of the American community will be held following the regular Sunday service on September 25 at the Masonic Hall, 30 The Bund, for the purpose of forming a definite church organization, election of officers and incorporating the organization. The new Community Church will be undenominational in character and the present plans call for a permanent location in the western district of Shanghai. The American style of church service will be used, but membership will be open to persons of all nationalities who desire to subscribe to the bond of union covered in the constitution. The prospectus which has been sent to all Americans contains the following paragraph:

The modern movement towards unity, and a more cordial spirit of fellowship among Christians are evidenced by the churches which have been established and are operating successfully in a number of the newer and growing cities of the United States. Instead of starting several struggling, competing churches, the residents of a district, agree to unite upon the most simple and fundamental principles of Christian faith, and to work together as one strong and enthusiastic body. It is such a church that is wanted in the Western district of Shanghai, where Christians of various denominations and nationalities may find a real church home. This project, on broad lines, has been undertaken by the American Song Service, and it has had the indorsement of the committees of churches in the older parts of the city, and also of committees representative of the business community.

Hon. Charles Denby Becomes Director and General Manager of Gaston, Williams and Wigmore

Hon. Charles Denby, former American Consul General, Shanghai, son of the former American Minister to Peking and for the last few years a member of the American War Trade Board, is returning to China soon as a director and general manager of the firm of Gaston, Williams and Wigmore, Inc. In a letter received by the American Chamber of Commerce of China, announcing his new connection, Mr. Denby says: "I have made this connection after careful investigation of the firm's standing and of the steps they are taking to place themselves in the foremost rank of American

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S.S. M.S. DOLLAR . . . 19,000 tons displacement
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"The future of Europe is bound up with Asia. . . ."
TO BE WELL INFORMED READ

The Asiatic Review

(Founded 1886)

"An excellent April number." *Morning Post.* "Abundant fare is here provided." *Times.*

Five Shillings. Published Quarterly. $1 per annum.

Articles have been contributed recently on the Far East by:—Professor E. H. Parker, Dr. Inazo Nitobe, Mr. Michizo Masuda, etc., etc.

Every phase of Asiatic life is discussed in the Asiatic Review.

Proceedings of the East India Association.

Special reports of meetings of Societies interested in Asia.

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By depositing money regularly with this Bank, you are teaching your children the habit of saving. When they are twenty years old, they will find it a great help. The following table shows handsome totals that a monthly deposit of $3 will grow into:—

Age	Amount	Age	Amount
1	$ 37.17	11	$ 710.54
2	76.83	12	821.12
3	119.98	13	943.09
4	167.53	14	1,077.66
5	220.72	15	1,226.05
6	280.44	16	1,389.58
7	348.72	17	1,569.91
8	427.73	18	1,768.70
9	519.10	19	1,987.74
10	610.17	20	2,229.29

SHANGHAI COMMERCIAL & SAVINGS BANK, LTD.

Head Office: 9 Ningpo Road

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14-086

firms dealing with the East." The other offices of the company are: Chairman of the Board, Charles H. Sabin; President, George A. Gaston; Vice-President and Treasurer, W. M. St. John; Vice-President, W. H. Swift; Vice-President and General Counsel, C. K. Fauver; Vice-President, Rurr C. Chamberlin; Secretary, R. H. Lee Martin and Henry S. Kimball, former president of the Remington Arms Company, vice-president in charge of the New York office. Mr. Denby is director and manager of the subsidiary company, Gaston, Williams and Wigmore, Far Eastern Division, Inc, in which capacity he is coming to China.

General Chang Tso-Ling to Build American Cotton Mill

General Chang Tso-ling, Chinese military governor at Mukden has just contracted with the from of Andersen, Meyer and Company for a new cotton spinning and weaving mill to be located at Moukden. The mill will have 10,000 spindles and 200 looms. The building will be of reinforced steel-concrete construction and will be located in the Chinese section of the city on property adjacent to the American consulate. The machinery will be supplied by the Saco-Lowell Shops of Boston, Mass., and the entire construction will be handled through the engineering department of Andersen, Meyer and Company. Construction will start early in the spring of 1921.

Attention! Dealers in Snakes, Monkeys and Other Wild Animals

The American Chamber of Commerce of China receives many curious inquiries on a wide range of subjects, but the prize inquiry came this week from Bert J. Putnam, 462 Washington Street, Buffalo, N. Y. who desires to be placed in communication with dealers in China who handle wild animals and reptiles. He is especially interested in live snakes, monkeys and other wild animals native to China. Mr. Putnam's letterhead contains in red letters the word, "Snakes, Ask Putnam" and also carries the information that he is a member in good standing of the Chamber of Commerce of Buffalo, N. Y. Readers of the *Review* having among their acquaintances dealers interested in the foregoing "wild animals" not including of course any of China's recalcitrant militarists, are urged to communicate with Mr. Putnam.

Of Special Interest

The wedding took place recently at Guelph, Ontario, of Edward Evans, Jr., of Shanghai, and Miss Jean, daughter of Mr. and Mrs. W. McLachlan.

Mrs. N. A. Thomspon after a three weeks visit with her parents, Mr. and Mrs. F. J. Pyke at Peitaihao, returned to Shanghai last week on the *s. s. Kaiping.*

The engagement has been announced of Miss Hester Cartwright of the Yenping Mission, Foochow, and Richard N. Vanderburgh of Fearon, Daniel and Company, Shanghai.

The death occurred on Sunday, September 5, of Mrs. Horace Gulick at Dr. Fearn's Sanitorium, Shanghai. Mrs. Gulick was twenty-eight years old and is survived by her husband in Shanghai.

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J. BEUDIN, General Manager, Assurance Franco-Asiatique.

M. SPEELMAN, Member of the Committee of the French Chamber of Commerce for China, General Manager, Assurance Franco-Asiatique.

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Every month ONE out of *2000 Bonds* is redeemed with $2000 and one out of every 10 Bonds gets a bonus of from *$12* to *$1000.*

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Pumps, meters, instru
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and supplies
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Red and white lead
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Mrs. W. C. Whiffen, wife of W. Whiffen, correspondent for the Associated Press of America in China, Peking, is expected to arrive in Shanghai this week to be the guest of Mrs. A. Bassett at her home, 551 Great Western Road, Shanghai.

The marraige took place on Sunday afternoon at the Methodist Church, Quinsan Road, Shanghai, of Chao Chuan, former secretary to the Chinese delegation to the Versailles Peace Conference, and Miss Shu-ling Chai. Dr. A. P. Parker officiated.

Miss Amy S. Rhodes, acting principal of the Shanghai American School, and Miss Frances W. Adams, teacher of vocal music, have returned from Kuling. Miss Sara Perkins of Atlanta, Ga., U. S. A., an additional member on the music staff, has arrived by the *s. s. Empress of Japan*. The new principal with several other new teachers are expected to arrive by the *s. s. Empress of Asia* on the 10th instant.

Miss Catharine Bryan, has just arrived in Shanghai to develop the kindergarten normal training courses and to make plans for the inaguration of co-education, which will be begun a year hence at the Shanghai (Baptist) College. Miss Bryan was educated in Virginia and Georgia, and has taken a prominent part in education work in China for the last twelve years. Dr. Chou Ming, from the Massachusetts Institute of Technology, is joining the College as profeseor of physics.

Japanese Press Propaganda in Central China

"It may be written that one unfamiliar with the facts and ignorant of Japanese character would conclude, after reading Japanese newspapers, that the Americans are an intriguing people with a government which is at all times influenced by greed and selfish ambition." observed Mr. T. R. Jernigan, former United States Consul-General at Shanghai and Representative of the Hague Tribunal in China, in a recent issue of the *Review*. "And not only has the native press of Japan for a long time been occupied in the attempt to misrepresent and falsify American policy, but newspapers either owned or under the guiding influence of Japanese are established in China to propagate here libels and falsehoods so recklessly indulged and propagated in their home country."

Aside from similar activities in other parts of China, a Japanese press propaganda has been running in interior China with the aim of instilling, into the minds of Chinese sentiments decidedly detrimental to the growing friendly relations between China and America. The agency employed for this purpose is the Japanese owned Chinese daily newspaper *Hukwang Hsin Pao* of Hankow.

Just what the name of the newspaper, *Hukwang Hsin Pao*, signifies, nobody seems to understand or is able to interpret. Literally the name means a new newspaper for the provinces of Hupeh, Hunan, Kwangtung and Kwangsi. This is almost the only possible way the name could be understood. But whatever it signifies, it is of no more than passing

NANTUNGCHOW

"The Model City of China"

Located on the north bank of the Great Yangtsze River, 100 miles from Shanghai in the heart of the fertile Yangtsze River valley.

Population of city
150,000

Population of district
1,500,000

Some of the outstanding features of Nantungchow and the Nantungchow district are:

1—Center of the great "Tungchow" cotton district, the best grade of cotton in China Production more than 1,000,000 bales annually.

2—More than fifty miles of modern roads, much of which is now being rock-surfaced.

3—Cotton and Sericulture Experiment stations and schools of instruction.

4—Modern agricultural college with 126 students who do practical work under supervision of foreign-trained teachers.

5—334 separate schools with more than 20,000 students.

6—Two modern cotton mills with 60,000 spindles, 500 looms and 3,000 operators.

7—Modern cotton-seed oil mill which provides a surplus for export.

8—Five modern banks and eight native style banks.

9—One match factory, one flour mill, one silk filature, one iron foundry, one electric light plant and a direct steamer line to Shanghai and other points.

10—Modern office building in Shanghai with modern banking facilities.

11—Maintains the "Nantoon" Chinese embroidery, lace and needlework shop Fifth Avenue, New York City.

New enterprises for the district include hundreds of miles of new roads, the total expenditure for this purpose being in excess of $300,000; seven new cotton mills; new electric light and power plant; coal mine development to supply the industries of the district; an extensive reclamation project to reclaim thousands of acres of land from the overflow of the Yangtsze River.

Visitors are always welcome at Nantungchow. There are two comfortable hotels. Lang-shan Mountain, one of the five sacred mountains in the district, is a beauty spot almost impossible of description. There are hundreds of interesting temples and shrines and a beautiful pagoda gives a view of the district unexcelled in the Orient. Persons desiring further information regarding Nantungchow or the Nantungchow district are requested to address—

THE CHAMBER OF COMMERCE

Nantungchow, Kiangsu Province,

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14-091

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COTTON WASTE MACHINERY

Openers	Card Feeds	Revolving Flat Cards	Spinning Frames
Pickers	Full Roller Cards	Derby Doublers	Spoolers
Willows	Condensers	Roving Frames	Twisters

WOOLEN MACHINERY

Card Feeds	Full Roller Cards	Condensers	Wool Spinning Frames

WORSTED MACHINERY

Cone Roving Frames

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interest to its readers, and what does concern us is the sensational part of journalism which characterizes this Japanese newspaper.

The editorial policy of this paper, as most of its careful readers would enthusiatically testify, is on the whole conservative and reactionary. Since its publication early in 1919, it has been following the general trend of events in China with a pronouncedly reactionary attitude, commenting now and then on China's progressive development political, commercial, educational social or otherwise, by dwelling on the dark side of the story. Outstanding as this feature is, it is nevertheless not the characteristic feature of its editorial policy. It stands to perform a distinct and assigned duty for the Japanese government, and it has been said by their staff members that this paper is an official government organ of Japan and is receiving financial subsidy from the Japanese Government.

An intelligent study and close scrutiny of this paper for some time will bring to light the dominating component part of its editorial policy. It is like this: It is run with the backing of Japanese government to discry, on the one hand, the China policy of the American government and the activities of the Americans in China, and on the other hand to balloon up the policy of Japan toward China in the eyes of the Chinese. These two aims are but part and parcel of one single policy, that is to oust the Yankees from China, replace them by Japanese, and then close the open door of China.

The Americans, again, are not the only nationals the Japanese have in view. Britons, Frenchmen and other nationals having gained a foothold in China are all on their exodus list. But because of the daily growing intimacy and genuine friend-hip between Chinese and Americans, the latter are their primary object of denunciation. They are jealous of the firm confidence and good-will of the Chinese for their American friends and the friendly hospitality which Americans are receiving from all classes of Chinese in all parts of the Chinese Republic, hence their antagonistic policy toward America.

The American policy toward China has been branded as evil or pernicious, and every effort has been put forth by the editor, who is a Chinese of the old school, and who is no doubt wielding his pen under Japanese influence, to misrepresent the attitude of America. This was especially true last year when diatribes against America colored their editorial columns very often. The editor used to set forth his arguments with the support of a display of classical literary Chinese expressions and quotations, neglecting the basic fact that truth needs no flowers of speech. Every diplomatic movement of America respecting China is taken up with apparently biased criticisms which are ridiculous and at times well nigh absurd and unreasonable. In short, it may said almost with certainty that there is not a single movement on the part of Americans with respect to China that does not furnish this Japanese newspaper with a peg around which to center their denunciation and criticism.

The Mexico problem, which is remote from Far Eastern affairs, and America's dealings with Mexico called forth the following comment in the *Hukwang Hsin Pao:*

"The present internal discord in Mexico is far more serious than that in China; and whenever there

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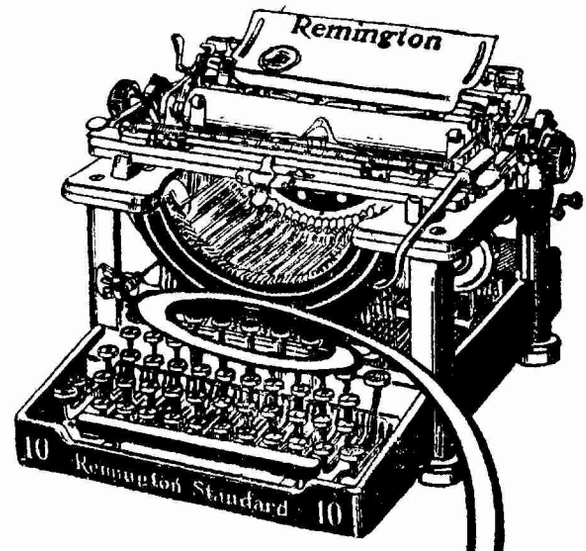

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has been trouble in Mexico it has been in connection with the United States. Hence what a tremendous difference there is between the activities of America in Mexico and Japan's friendly policy in China. Had the United States given up all her wild ambitions in the Far East, had she not attempted various means of fooling the young Chinese and of stirring up ill-feeling between China and Japan, conditions in the Far East would be much better than they are now, and China would be paradise compared with Mexico. America has been dealing with Mexico with a firm hand, while in China she has adopted the stealthy movements of the leopard or the wolf, also possessing a devil heart at bottom. How, then, is there righteousness or justice in her policy toward Mexico and China."

When Dr. Paul S. Reinsch, former American Minister to China, left Peking for the States in September last year, he made an inspirational address at the farewell reception at Peking given him by the Society for the Study of International Relations, European and American Returned Students Club, Society for Self-Improvement. Society for the Promotion of New Learning, Chinese League of Nations Society and the People's Foreign Relations Society. To every sensible reader, whether he be a Chinese or foreigner and if he can only think for himself, there could be nothing wrong in the open-heartedness of the then retiring American Minister Dr. Reinsch, who is regarded by all intelligent Chinese as the true friend and teacher of China. Among other things in his address, Dr. Reinsch made this broad-minded remark:

"It is not at all my country's intention to create for herself a more favorable position than other friendly Powers occupy with respect to China's affairs. She hopes that all friendly Powers may be equally well disposed toward China and will give all possible encouragement to her in developing her resources and her national life in general in a spirit of true cooperation."

The above and other remarks were nothing but disinterested observations, and it is almost impossible for one to judge otherwise, if he can judge rightly. The Japanese *Hukwang Hsin Pao* commented on this in part as follows:

"On his departure from China. the American Minister did his best to flatter the Chinese people. He spoke all kinds of good things in China, picturing them as hopeful signs. In doing this, he has one thing in mind, that is to convert young Chinese into his American principles by fooling them with all sorts of dangerous thoughts. During his stay in China already many young men of China have been spoiled by his dangerous thoughts. Young men of China, be careful not to fall into his traps."

Another instance of diatribe against Americans is found in the manner the Japanese paper presented the news of the departure of Mr. Thomas W. Lamont, partner of J. P. Morgan and Company of New York, from China to Japan on his way to America after he had concluded his business in connection with the International Banking Consortium in China.

"Mr. Lamont, representative of the American banking group, has been in China for some time working for financial domination in China. He has tried various means to secure rights in China, and having utterly failed in his attempt, he is sneaking away from China with disappointment."

Last month when feuds between the Japanese backed Anfu Club and the Chihli faction were running high in China, the *Hukwang Hsin Pao* in its issue for July 20 published the following news:

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Correspondent in China—The Commercial & Industrial Bank of China

14-096

"According to news from Tientsin, the International Banking Corporation, an enterprise of the Americans, has accepted the military loans of General Tsao Kun."

The news appeared under the caption "Americans Supply General Tsao Kun with Money." Evidently this piece of fake news must have been fabricated by the Japanese for discrediting the Americans for lending American money to one political faction in China to enable it to continue its fight against another party, the Anfu military clique under Japanese influence. But no news to this effect has been found in other Chinese papers since its appearance in the *Hukwang Hsin Pao*. It is no doubt absolutely unfounded and is just a whole fabrication which makes whatever they stand for as being faked.

Still another interesting editorial appearing in the issue for August 17, this week takes this heading "An American Style Proposition." In it the Japanese paper reviews the interview recently given by General Chang Tso-ling to a Japanese journalists' party at Peking, stating that General Chang expressed his firm belief that General Wu Pei-fu's proposition for convening a people's convention to decide many national questions in China had been instigated by Americans. In concluding this editorial, the Japanese paper comments:

"Although General Chang Tso-ling's belief may be unfounded, yet there must be reason for it. For the Americans have been taking pride in boasting of opening a democratic world. And in the China of the late few years, whenever there is a narrow chance for instigation and fanning, they scarcely fail to propagate democratic ideas as far as they are capable. Judging from this habit, we may at once designate it 'An American Style Proposition,' admitting that General Wu's proposition might not have been dictated by Americans, and we cannot say that General Chang's belief is absolutely without foundation."

Intent as they are on political questions, the Japanese take no less interest in criticising other things in China connected with the Americans in some way. Once the Chinese Young Men's Christian Association movement in China, which is purely Chinese and only helped by American, and other nationals, was strongly criticised as a foreign agency to spoil and mislead the younger generation of China. T. K. Hu, a devout religious worker and executive secretary of the Hankow Y. M. C. A., who has been to America studying Y. M. C. A. work there, was characterized as a shameless chap on his return from America last year. The *Hukwang Hsin Pao* also charged him as guilty of leading the young men of China in the wrong direction, further adding that Christianity only served to make his work more valueless. At another time, education of the Chinese by American missionaries was taken up. The Japanese paper criticised that nearly all young Chinese having received an American college education found themselves unfit for Chinese society and that American missionary education only tended to Americanize Chinese students, reducing them to foreign servitude and rendering them useless fellows after all. Still another time, Dr. Chang Pao-ling, president of Nankai College, Tientsin, and an American trained educationalist of note in China, was described as a worthless fellow without any social standing.

The above instances illustrate quite clearly the Japanese press campaign directed against America and the Americans in China. The truth in each case is easy to seek as white and black for all but those who are ignorant and ill-informed on general events and affairs in China. The lack of sufficient reasoning and evidence in every argument points directly to

their baseless falsehoods which they think are not good for China but fail to show how and why they are so. Asked how much China has been helped by Americans, any Chinese who is informed at all can give an immediate favorable answer, and considering this fact a refutation of the groundless thoughts of the Japanese seems rather out of place.

The other phase of their editorial policy is equally interesting and ridiculous. Besides running down the American interest and friendly relations in China, they are at the same time bleaching white the notorious Japanese policy and infamous records in China, using publicity and propaganda as the bleaching agent. In painting white the Japanese policy, they are whitewashing an ancient crumbled wall which will not look a whit better, for it makes the wretched the more despised the more he wishes to be prized.

For the above purpose, they published in their columns long articles advocating closer friendship between China and her nearest neighbor Japan as means of preserving the territorial integrity of China against encroachment of "the whites." In other words, they stand for a China-for-yellow-race, or to be more direct, a China-for-Japan policy. Early this year, they published a series of articles on the subject "Co-existence of China and Japan," in which the Japanese newspaper enumerated the evil intentions of the white race in camping their various lines of interests in the China field, branding it as the most unwise policy for China to place her national interests at the mercy of the wildly ambitious whites and alienate herself from the friendly Japanese of her own yellow race. By a few articles the writer worked up to the climax that in view of such grave dangers from the white people China should do everything in her power to befriend Japan without whom China can in no way exist in the world. In concluding, the editor strongly admonished and warned the Chinese to beware of and always be on the lookout for the people of the white race and not to expose themselves to the danger of foreign almagamation and conquest. Recently they published some additional articles under the heading of "Observations on Sino-Japanese Relations." In them the editor reviewed the general trend of events between China and Japan and pointed out that China can only rely on Japanese co-operation and help in every walk of her national life.

To be fair, we must admit that this kind of editorial policy is what one would expect from a Japanese: it is their high duty to promote friendly relations with any country in the world of which China is no exception. Every liberal observer should hope that China and Japan will be on more friendly terms than they are at present. Indeed the Chinese are ready to befriend any country when there is a possible chance for the existence of that friendship and deny nobody friendship if he is worthy of trust. The only criticism probably is that since China can extend her friendship across the Pacific Ocean to the United States, there is no reason why she could not extend it similarly across the Yellow Sea to Japan. If the Chinese can make staunch friends with Americans their antipodes, it stands to reason that they must be a people receptive of the offered friendship of her neighbor Japan, and the very fact that ill-feeling instead of friendship exists between China and Japan testifies that Japan's offered friendship is not substantiated by friendly deeds. Japan's past course in China has created for her hatred and antagonism from the Chinese, who waited to see better days to befriend the Japanese but were thrust back by the repulsive policy of Japan in China. The Chinese were bitterly disappointed by Japan's unwavering course of Prussianism in

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China, and finally have seen that there will be no gain in accepting Japan's advocated friendly advance at its face value. Their experience with Japan convinced them that the Japanese Empire is doing nothing but forcing a Japanese yoke on the Chinese by taking away their birthrights and saying "I love you, I love you with all my heart and soul," and when she has taken them. "It is for your benefit, my friend, that I take these spoils from you." If the Japanese do mean what they say, if they are true to their words, and if they want to win the good-will of the Chinese, the best channel through which to seek this good-will is to stop propagating the gospel, halt their aggressive course and show her friendship for China by actual work, thus building it from the bottom up.

How far this Japanese press propaganda has been successful may be measured from the circulation it has. *Hukwang Hsin Pao* is the cheapest daily Chinese newspaper obtainable in Hankow; but its circulation, both local and outports, is a little over 200, which is nothing to the large circulation of 17,000 of the *Yih Shih Pao*, a Chinese newspaper in North China published under American auspices. And of this number, nearly one fourth is for exchange copies with other newspapers in China. On their mailing list, there are over thirty government offices in Wuchang and other places who are receiving the paper gratis. Most of the few other subscribers on this list have already discontinued their subscriptions, but the paper is still reaching them without charge. It is also said that the *Hukwang Hsin Pao* are willing to send their paper to any one gratis in case he cares to have it. Being in doubt of the truth of this statement, the writer called on the *Hukwang Hsin Pao* office in the Japanese Concession, and asked a copy to be sent to his address daily, reminding them to present their bill for payment each month. But for five months past, he has not yet been asked for payment. Others made similar trial subscriptions, but receive the same kind treatment from the Japanese. Another idea of how this paper is liked by the Chinese is given by the fact that all newspaper hawkers in Hankow do not carry the *Hukwang Hsin Pao* for sale, and if one is particular in having it he has to drop in at the newspaper office. Again, when the Japanese in Foochow committed outrages on innocent Chinese students and landed Japanese marine in the Chinese city there last year, the former editor of *Hukwang Hsin Pao* announced his resignation for reason of their editoriai policy being not to the best interests of China and of the Japanese outrages in the country. Now since the Japanese paper fails to be popular with the Chinese, it fails completely in its purpose. For since it is published in Chinese it must be intended for misleading the Chinese reading public, and if it cannot get Chinese readers it fails in everything. There would be danger if such Japanese press campaign had been successful in China.

Hankow, August 20, 1920.

New Consortium Aims to Give China Fair Deal as a Nation

BY THOMAS W. LAMONT

Who, as the representative of the American group and with the approval of the American government, conducted the negotiations in Japan and China that have led to the formation of the new consortium for China.

FOR years, almost for generations, there has been a Far Eastern question. In that question, although she has sometimes failed to realize it, America has always been deeply interested. Through the formation of the new consortium for China this troublesome Far Eastern problem has, I hope, been brought one stage nearer its solution.

The new consortium is an international body, made up of groups of banks and bankers from the United States, Great Britain, France and Japan. These banking groups have been formed not only with the approval but at the request of their four governments. After long months of negotiations they have been finally organized into this international partnership, called the new consortium, for the purpose of assisting China in the development of her great public enterprises.

The organization of this body will, it is believed, result in the stabilization of economic, financial and perhaps of political conditions in China; will bring

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the five powers involved into closer harmony of interest and sympathy, and will thus be a substantial factor in contributing to the permanent peace of the Far East.

It is, of course, possible that not all of these aims will be realized. International partnerships, even among bankers, are not easy to handle; they are apt to have the general defects of coalitions.

One of my favorite stories is that of Marshal Foch, who, during all his career, had taken every occasion to say that Napoleon was his pattern; that in military tactics and execution he had studied that great French master of strategy, and for any worth that was in him felt indebted to his master, Napoleon "But," added the marshal, "now that I, Ferdinand Foch, have fought at the head of a coalition, I have less respect for Napoleon, who used to defeat coalitions."

We must remember that the formation of the consortium is but the first step in a long and arduous pathway. The banking groups will have to display toward one another great tolerance, great patience. Still, the four banking groups have undertaken the enterprise of the consortium in good faith and in the best possible spirit. With the welfare of China as the first consideration, I personally believe that in working together on this principle and in a spirit of give and take the consortium will succeed.

In order fully to understand the character of this new attitude toward China one must go back for brief survey of the old policy.

Starting in the middle of the last century, the powers generally—with the exception of the United States—developed toward China an attitude that might almost be called the policy of the warship. It was a gunboat here or a squadron there to enforce diplomatic demands, and on many occasions troops were landed and punitive columns sent to the capital or into the interior. Ports were seized or obtained by pressure on a government not strong enough to withstand bullying.

Along with these territorial accessions there were created, through a variety of circumstances, a series of "spheres of influence," all tending to impair the independence and sovereignty of China. This policy served to divide up China commercially into almost watertight compartments, and the nations like the United States, which had no compartment, could not do much trading.

Then, too, the contest for concessions and for influence by the large nations that were seeking to establish their spheres of influence in China involved them in serious rivalries and international jealousies. It was a situation that might readily have led to armed conflict.

The government of the United States undoubtedly had in mind this fact, as well as the preservation of China's integrity, when it moved for a formula of joint action. If the consortium is a success the possibility of war arising in the Far East will be greatly reduced and China will have a better and fairer chance to work out her destiny as an independent state.

Not the least of the advantages to America to be derived from the formation of the consortium is the final adoption by Washington of a policy toward the

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Far East which seems logical, consistent and likely, to endure. Americans in the Far East have complained bitterly, and with some reason, of their country's shifts of policy. Those changes have been due, as I take it, not to vacilating minds, but rather to changes of Administration and differing points of view.

There had been, it will be remembered, an old international consortium which was established in 1908 and was made up of banking groups from Great Britain, France and Germany. Its scope was somewhat smaller, but the general idea was international cooperation in political loans to China. Such an idea appealed strongly to President Roosevelt, whose Secretary of State, John Hay, had laid down the policy of the "open door" in China, and also to President Taft. They therefore requested that an American group be formed and be admitted into the international group.

Accordingly a small American group was made up, consisting of Messrs. J. P. Morgan and Co., Messrs. Kuhn, Loeb Co., the First National Bank and the National City Bank, all of New York, which was admitted to the international councils. It was this four-power group that in 1911 made the loan of £6,000,000 sterling for the initial construction of the Hukang Railways in China.

About this time banking groups from Russia and Japan sought entry into the consortium. Accordingly it was enlarged by the admission of the two new groups, and thus was made a six-power group. In March, 1913, President Wilson's first Administration came into office. The American group at once made inquiry from Mr. Bryan, the Secretary of State, as to whether the attitude of the new Administration was to be the same as that of the two previous administrations in their policy of encouraging cooperation in the Far East for the stabilization of conditions in China.

The Wilson Administration expressed disapproval of such a plan and accordingly the American group was obliged to withdraw at once from the international consortium. This left a fivepower group, under whose auspices the so-called reorganization loan of £25,000,000 was made in 1913. In the year after this the Great War broke out, and of course the active operations of the consortium ceased.

As long ago as 1916 the Wilson Administration took up afresh the consideration of Far Eastern matters and informed the members of the old American group that it planned, upon a new and somewhat broader scheme, to encourage its citizens to make investment in the Far East, and especially in a way that would inure to the benefit of China, and that would give one more evidence of America's friendship for the Chinese.

The State Department accordingly made public its policy along these lines. In compliance with its request the firms of J. P. Morgan & Co. and Kuhn, Loeb & Co., the First National Bank of New York and the National City Bank of New York, the associates in the old group, organized a new American banking group, inviting a large number of banks and banking houses throughout the country which had shown an interest in Far Eastern matters to join, their selection having been previously approved by the State Department.

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The American banking group having been thus successfully formed, the American government was encouraged to take its next step. In October, 1918, the United States government proposed to the governments of Great Britain, France and Japan that in each of these countries they should encourage and support banking groups in the formation of a new consortium for the purpose, as already stated, of assisting China in the development of her great public enterprises.

The United States government proposed that the new consortium should have a wider scope than the old consortium had possessed; that it should be in the nature of a free and full partnership among the banking groups named; that not only future options that might be granted, but concessions already held by individual banking groups on which substantial progress had not been made, should, so far as feasible, be pooled with the consortium; that working on these two principles the operations of the consortium would serve to prevent for the future the setting up of special spheres of influence on the continent of Asia. The United States government laid great stress on this latter point as being highly effective in doing away with international jealousies and in helping to preserve the integrity and independence of China.

These proposals also made clear that it was not to be the aim of the consortium to concern itself with general enterprises in banking, industry or commerce. Rather it was to include within its scope only those basic enterprises—such, for instance, as the develop-

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ment of transportation systems, highways reorganization of the currency, etc.—which would serve to establish sounder economic conditions throughout China and thus form a firmer foundation for the encouragement of private initiative and trade.

Specifically, it was planned that the consortium's operations should deal primarily with loans to the Chinese Republic, or to the provinces of the republic, or loans guaranteed by the republic or by its provinces and, in each instance, of character sufficiently important to warrant a public issue; thus effectively avoiding the curtailment of private initiative and enterprise in China.

These porposals, as formulated by the United States government, were duly approved by the other three governments, and at their instance the respective banking groups that had been formed in each of the four countries directed their representatives to meet for organization purposes at Paris in May, 1919. These representatives, duly convened, and, it may be added, as in the case of the American banking group, in each instance they represented a much larger banking group than in the old consortium. I have already pointed out that in America the group had been expanded from four to thirty-six. The Japanese group had been increased to eighteen members, and both the British and French groups had also been enlarged.

At the organization conference in Paris entire harmony of spirit and purpose was attained among all four groups, and the consortium was duly organized; its agreement, however, as unanimously adopted, to be subject to the approval of the respective governments.

In the case of Great Britain, France and the United States this agreement was approved without change. The Japanese government, however, distinctly qualified its assent by directing its banking group to declare that certain portions of the provinces of Manchuria and Mongolia should be reserved from the scope of the consortium.

These reservations as to Mongolia and Manchuria were clearly inadmissible to the Western banking groups as being opposed to the idea of a free and full partnership. They were, as it appeared, equally inadmissible to the goverments of the United States, Great Britain and France, as tending to establish a political status for Japan not consonant with the integrity and independence of China.

These qualifications were, in effect, a negation of John Hay's policy of the "open door" in China. It was not that the Western banking groups had any particular plans for developing the provinces in question, nor were they especially desirous of making investments there, but they must decline to be understood as assenting to be excluded from those provinces.

In the succeeding months, among the four governments involved, the United States taking the lead in the matter, there followed a long diplomatic correspondence with the idea of securing Japan's recession from her position. Little or no headway was made on this point and the longer it remained open the greater the danger became in two directions.

The chief one of these was the lamentable delay in the formation of the consortium itself. China sorely needed effective assistance and the Western banking groups were being blocked from rendering it. Secondly, the three Western governments seemed to feel strongly the impropriety of permitting Japan to continue in her insistence upon a claim which might later on be interpreted into a declaration by Japan of some especial political status in the provinces of Manchuria and Mongolia.

This difficulty on the reservations still existing, I was requested by the American banking group, with the approval of the British and French banking groups and also with the approval of the State Department at Washington, to visit Japan and find out definitely whether the Japanese banking group intended to enter the consortium on the same terms as the other banking groups.

I was in Japan throughout the month of March last, and then again upon my return in May from China, before sailing for home, I spent a week at Tokio. As a result of a better understanding Japan withdrew her reservations in toto, and the Japanese government authorized its banking group to enter the consortium without qualification. Throughout the negotiations the governments and the banking groups equally were active and worked together with the single end in view of forming effective cooperation for the aid of China.

Japan's change of attitude was, of course, most gratifying, and it served to make clear several interesting points as to the present financial and political situation in Japan. I found from the start that the members of the Japanese banking group, which comprised eighteen of the leading institutions in the country and a great majority of the leading men of affairs in Japan, were strongly for the consortium and greatly desirous that Japan should become a member of it without reservations. Early in my visit, too, the gov-

crnment, with Premier Hara at its head, stated to me its conviction as to the wisdom of withdrawing the reservations. Through the instrumentality of our ambassador, Roland S. Morris, who occupies in Japan a position of extraordinary strength and influence, I was brought in touch with all the leading members of the Cabinet and of the powerful diplomatic advisory council who gave me private assurances of their adherence to the American formula of the consortium.

But there was another element in Japan which for the moment strongly opposed participation by Japan without reservations. That was described to me by certain Japanese as the so-called military party.

That element clung tenaciously to its determination to have the record show some special claim for Japan in the provinces of Manchuria and Mongolia. Its final withdrawal from this position was due, I believe, to the joint influence brought to bear upon it—first, from its commercial and banking interests at home, and second, by the consistent and unyielding attitude on the part of the American, British and French governments, which throughout my long and difficult negotiations in Japan acted practically as a unit in the whole matter.

It is only fair to say that in Japan I found on certain points there was sincere misunderstanding, which happily was dispelled by our discussions in Tokio. We made it clear that the American, British and French banking groups had no intentions with respect to Manchuria and Mongolia that would serve to threaten the economic security or national safety of Japan. Further, we were able to specify certain feeder, or branch line, railway projects in South Manchuria, upon which substantial progress had already been made by the Japanese, and which, therefore, in accordance with the original understanding reached at Paris, should fall outside the scope of the consortium.

Japan showed broadmindedness and wisdom in waiving her reservations regarding Manchuria and Mongolia. She was courageous in recognizing that those reservations were of no real value to her and, if persisted in, would only serve as an inevitable bar to her entering the partnership with the western nations—a partnership calculated to prove of more benefit to Japan's commercial interests than to those of any other nation.

After having gained the informal assurance of the Japanese government that it would authorize its banking group to enter the consortium, I proceeded to China for the purpose of observing there, on behalf of the American banking group, conditions economic, financial and political. In China I spent more than a month that was full of extraordinary interest and found several situations of unusual import.

First, it became clear that some element—the Chinese said it was the same one that in Japan had delayed Japan's entry into the consortium without reservations—was now endeavoring to block our path and by inspiring antagonism on the part of the Chinese, bring about the failure of the consortium.

America, and therefore the American group, commands a greater degree of confidence among the Chinese people than any other nation or group. The reason for this is plain. The United States has refrained from seeking territorial concessions in China and it has striven through the years for the preservation of China's territory and sovereignty—for

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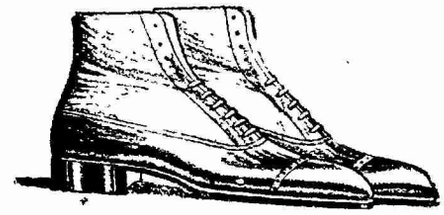

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The amount at credit for the cost of the railway was Mex. $16,537,779 and of this sum Mex. $16,300,117 has already been disbursed. Passenger receipts for the first five years working were: Mex. $273,489; $303,960; (No record); $482,097; $537,313. Freight receipts in 1911 and 1912 were Mex. $261,348; and Mex. $274,960, and in 1914 and 1915 Mex. $547,388 and $485,377 respectively.

The general working expenses in 1911 and 1912 were Mex. $465,179 and $524,741 and in 1914 and 1915 were Mex. $464,464 and $606,426 respectively.

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the maintenance of the open door for all trade. It has through its missionary organizations worked patiently for the education of the Chinese and done much to give them modern medical assistance.

But, as I have just said, there began and continued throughout my stay in China an active propaganda against the consortium, against America, against the American group and against myself as its representative.

This propaganda was a powerful illustration of the necessity for joint action in China on the lines proposed by the consortium. When such propaganda is conducted effectively it is bound to engender ill will among the foreign residents and business men and distrust among the Chinese. Followed to its logical conclusion, it brings conflict in some form. But unite the chief foreign interests in China in a mutual plan of fair play, honestly entered upon, and there is no room for propaganda.

This paticular propaganda was conducted partly through circulars, also through the few English printed journals said to be in the control of the Japanese. It was chiefly apparent in the organs of the vernacular press conducted by Japanese interests. In these newspapers, scattered throughout all the leading cities in China, the most astonishing misstatements as to the consortium were constantly repeated. Guild and parliamentary memorials, manufactured on the basis of these falsehoods, were addressed to me and reprinted in the public press.

I had previously determined that when I arrived in China it was my business to keep my mind open and my mouth shut. But, in view of the grave misunderstandings that were being created in regard to the consortium it became necessary for me to make a considerable number of public addresses and communications to the leading newspapers; also to receive a very large number of Chinese, both in their private capacity and as representing certain influential groups in China.

To this general end, first in Shanghai, I explained in great detail the principles, the purposes and the workings of the consortium at a large tiffin given by the American bankers; at a dinner in the same place given by the American and Chinese Chambers of Commerce, at which several hundred persons were present, half of them being Chinese; at another tiffin given by the Chinese Bankers' Association of Shanghai and vicinity; at similar lunches and dinners at Peking and at large meetings of the representatives of the Chinese press held at both Shanghai and Peking. Of course, I discussed the same matter privately with any number of journalists, educators, men of affairs and officials of the government, both past and present.

Shortly after my arrival in Shanghai I heard that the Students' Union, incensed by the report that I had come to China to negotiate a large loan to the present government of China, which the students violently oppose, and by the knowledge that I was trying to arrange with the Japanese, whom the students were boycotting, to join the consortium, had decided to make a demonstration against me and to stone the windows of my hotel.

I sent word to the students that before carrying out their plan I thought it would be a good idea for us to talk together. Saner counsel prevailed among them and they chose about thirty delegates, one-third of them

women, to call on me. We had tea, and then spent two hours discussing the Consortium.

I never met a keener, more eager, intelligent group of young men and women. They were strongly opposed to their own administration, very critical of the Japanese, whom they accused of seeking to debauch and destroy their government, and generally fearful of foreign domination. We argued back and forth the question of the Consortium, and when we finished they seemed to have become convinced it would be better to have the Japanese join with the bankers of the other leading nations in a joint effort to help China.

We succeeded, too, in making it clear that the Consortium had no plans for coming to China and exploiting it, or of foisting any great scheme of development upon the country; that we did not intend to come to China at all except at the earnest desire and with the cordial cooperation of the Chinese people; that unless they were convinced of the utility of the proposed Consortium, certainly it would not attempt to function.

I was told later that this conference with the Students' Union in Shanghai had aroused considerable dismay in the government of Peking, and that when it received the report of the conference it released from prison a considerable number of students confined there.

This last episode, if true, will give some idea of the feebleness of the Central government at Peking. Taking China as a whole, it is such a lawabiding, peace loving and industrious community that locally it does not seem to require much in the way of administration.

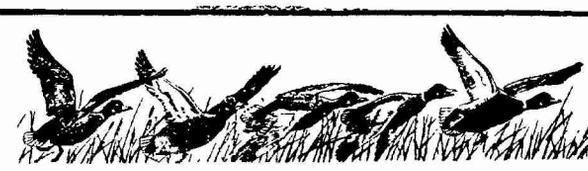
The towns and cities by themselves appear to move along with local and family government that manages to keep the peace and to make both ends meet. Of course, from the Western point of view there is an infinite lack of modern phases of municipal government—that is to say, of any local improvements, sanitation, public education, etc. Aside from these things, important from our point of view but not important to Chinese civilization, which for several thousand years has managed to work along without them, there is very decent local government.

When, however, it comes to the Central government, the situation has many serious aspects. The administration, as it appeared to be in Peking, was weak in purpose and personnel and limited in its authority. This lack of capable and patriotic men in the Central government is what gives to Western eyes their exaggerated idea of disorganization in China.

Yet we may not hold the Chinese as solely responsible for their own ills. Many Japanese Liberals declared to me that the policy of Japan had served to weaken rather than strengthen China. The way that an ex-Premier of China, a Liberal, by the way, who some years ago was supplanted in office by one of the Militarists, put it to me was this:

"Since the outbreak of the great war, especially in the year 1917, China has borrowed no less than $250,000,000 silver from Japan. What has been done with this vast sum of money? Absolutely nothing! And where has the money gone to? Mostly into the pockets of some Militarists and of those individuals who are now shouting against the consortium.

"These men have developed an appetite for Japanese money and are looking for more. When they hear, as they do, that the new consortium will



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lend money only for constructive purposes and, moreover, will insist upon such supervision as will insure the money being spent for such purposes, they naturally oppose the consortium from the bottom of their hearts. These men are being backed by a certain element in Japan. Thus they are enabled to buy up newspapers and start propaganda in opposition to the new consortium but not for a moment do they really represent our public opinion."

No actual constitutional government at present obtains in China. There are two parliaments in existence, each claiming the other to be illegal. The de facto government at Peking functions by virtue of its inheritance from the Manchu regime, followed by the Presidential administration under Yuan Shih-Kai. He had an ambition to became emperor and form a new dynasty, and therefore, not wishing to be hampered by constitutional limitations, he prorogued Parliament prior to the adoption of the final constitution.

The Southern group maintains that had its passage not been blocked by Yuan the constitution as written would have been surely adopted by Parliament as the will of the people. Among other things, this constitution provided that no foreign loans should be contracted by the government without Parliamentary approval.

It is frequently asserted that a majority of both the present parliaments have been named by the Tuchuns or military governors. These men today constitute in China the real stumbling block to effective government, and until they can be controlled or brought to arrange reconciliation no so-called peace will be effective.

These Tuchuns derive their strength in part from the local provincial revenues which they collect and "squeeze" and partly from spasmodic grants made by the Peking government. The Tuchuns and the Peking government spend so much upon troops that until there has been disbandment of at least one-half of the troops thorough-going financial reform is impossible. This whole situation is most difficult, for it constitutes a vicious circle.

For instance, as I have just pointed out, the government deficit cannot be wiped out until disbandment of the troops takes place, thus doing away with the extraordinary military expense. On the other hand, disbandment cannot be accomplished without a considerable expenditure for paying off soldiers' arrears. Until it can negotiate a loan for these purposes the government cannot do much in the way of disbandment, and until it can cut down these military expenses it is difficult for it to borrow.

The solution, as it would appear to me, is not the military intervention or occupation of certain cities, which a few of the Japanese militarists advocate. If, on the other hand, the leading powers, under whose approval the New Consortium has been organized, should make the present Peking government, to the Southern government and to all factions in China, including the Tuchuns, strong diplomatic representations, stating that all this nonsense of an opera bouffe warfare must be dropped and the government must get down to business, I am inclined to believe that the result would be surprising in its effectiveness.

I took repeated occasion in China to make it clear that until effective reconciliation between the factions has been reached the consortium will be unable to

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function upon any extensive financial scale. In the last few weeks, since my return from Peking, the government has made several important cabinet changes tending materially to strengthen the situation.

The Western governments, and also the groups making up the consortium can in the long run place great reliance upon the integrity and sobriety of the Chinese people and can find in them elements of strong cooperation—can encourage them in the development of a more stable government.

I was greatly impressed with the growth there has been in the last few years in education, the study of political institutions and of government by the students at the various universities and the liberal-minded men of affairs. These men are the hope of China to-day. They are anxious—nay, eager—for the consortium to begin its work there. They declare to me that in its operations lay China's only hope, and if ever a people deserved our effective friendship these are the ones. In a material way they will repay it a thousand fold. China has untold wealth in her natural resources. It requires only stabilization of political conditions there in order to develop these resources and make the country perhaps the greatest in the world in actual as well as in potential wealth.

In those coast cities of China which are really largely foreign one is apt to get an incorrect view of the Chinese, to think that they present a melancholy picture of disorganization and ineffectiveness. But as I went into the interior, rode on horseback through the little villages and then on through the cultivated plains coming into personal contact with the people at work tilling the soil with infinite industry and as I begin to see how they have carried on their civilization without let or hindrance through thousands of years I became thoroughly imbued with the innate strength of these great people.

As to Japan I have confidence that her people will enter fully into the spirit in which the consortium has been formed and that her bankers will carry out scrupulously the compact they have made with their partners and associates of America, Great Britain and France.

They are anxious to cooperate with the other participating powers and many of the Japanese government officials declared themselves convinced of the desirability of adopting a new policy toward China. I believe the statesman and financiers of Japan realize that their country lacks the free capital necessary to the constructive program that China requires and that they are willing to go along in any joint project insuring fair and equal treatment.

In the last few years in pursuance of a political policy Japan has advanced more than 250,000,000 yen to China. It is now realized that a considerable portion of this money may have found its way into the pockets of dishonest politicians and that the policy of being helpful has been harmful to both China and Japan. It was inevitable too during the recent financial depression from which happily Japan appears to be making recovery that there would be a realization that Japan would have fared better if her 250,000,000 yen had been kept at home. I discerned too a strong desire upon the part of many

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Japanese for a stronger, more stable, more orderly and therefore more solvent China, as a neighbor, a customer and the source of needed foodstuffs and raw materials.

With Japan's changing ideas toward China and facing the situation in China itself that I have described, with its banking, economic and transportation systems in a backward state, the consortium comes, with its new policy, not of imposing some large plan of exploitation and control upon China nor of securing great concessions from her, but of wishing to render China assistance in the development of great basic public enterprises.

The consortium plans to do this with the approval and cooperation of the Chinese government and people, with safety of investment for the people of the United States, Great Britain, France and Japan, to whom Chinese securities will be offered; with an excellent interest return to such investors; with a fair profit to the bankers and with the hope on the part of the consortium that with a few years it will have been able to assist China to reach such a point in the development and management of her enterprises that, as a consortium, it will be able to withdraw and leave the entire field to Chinese handling, and to such private foreign enterprise as may continue to be attracted by the opportunities of China.

I do not mean to indicate that the consortium is an eleemosynary institution. It cannot possibly function unless it has a fair margin of profit to work upon, but certainly if the principle laid down for its organization is carried out we shall see no more "spheres of influence" set up in China. Even though the way be long and difficult, we ought to be able, through the consortium, to attain a greater degree of sympathy and partnership among the nations involved, and thus contribute as a unit and with one mind toward the assistance of China.

The handling of the whole situation for the long future depends upon the personal element. The banking group representatives at Peking must be of the highest capacity and character and the spirit of give and take among the groups at home and among the individual members of each group must be broad and sympathetic.

Owing to the war the British and French markets may be unable for some few years to come to purchase any large amount of foreign securities either of China or of any other nation. The American group, therefore, has by force of circumstances jumped from an inconspicuous position in the old consortium to one of prime importance in the new.

In this America, as represented through the group, should be equipped to play a very active part. If so equipped she will be able to envisage the situation so as to lay out, with her experienced partners Great Britain, France and Japan, a sound and comprehensive plan for the economic and financial development of China. She will be able to bring to American investors the true story of China, the story of the safety and soundness of those Chinese securities which the American group finds itself able to recommend. Through her representatives at Peking she will be able sympathetically to wield influence upon the present confused elements—to make a real contribution to the improving political conditions there.

The success of the whole plan rests in the last analysis, not upon the governments involved, but upon our private citizens, upon the peoples of the respective

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The second edition of this popular and useful book dealing with the leading men of China prominent in official, business and professional life is now in publication. The second edition will contain all biographies that appeared in the first edition and in addition will appear the biographies of approximately 100 additional personages of importance. Each biography is accompanied by a photograph and this year there will be an index making it a book of easy reference.

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SHANGHAI

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nations, upon their good will, interest and active participation. Finally, in cooperation with the other groups and nations, America will be powerful in bringing about for the future that unity in spirit and attitude toward China that has been so lacking in the past, and that in the time to come we must count upon to make secure the peace of the Far East.—*From the New York Tribune.*

Japanese "Get-Rich-Quick" Promoters Operate in Shanghai

A new form of swindle, in which a number of Japanese promoters in Shanghai are involved, is said to be in operation in a number of other Chinese cities. According to reports which are now in circulation in Shanghai the plan is this: The promoters who are all Japanese, organize a company either under Japanese law or under American law, using the statutes of some of the American states. The company formed is for the purpose of engaging in the manufacture of cotton, taking advantage of the present profits to be made by utilizing cheap Chinese labor. Orders are placed for machinery with foreign firms, and a large sum of bargain money is paid over to the foreign firm, sometimes according to reports being as much as $200,000. With the machinery contract in their possession and a receipt for the bargain money which the foreign firm has accepted, a prospectus is printed and stock issued. The stock is all sold in Japan. Then after a few weeks, the stock purchasers are notified that it is "impossible to obtain the machinery in America or England" and it is necessary to dissolve the company and forfeit the bargain money paid over to the foreign firm. Even with the loss of the bargain money, the promoters are said to have been able to "get-away" with large sums of money, the innocent stockholders in Japan being the victims.

Commercial and Financial Notes

Two export mills on the Pacific Coast have just received Chinese and Manchurian wheat, and this is said to be the first shipment of the Manchurian grain shipped to the U. S. in twenty years. The result of this Manchurian importation is being closely watched, for the shipment went in at lower prices than local wheat. The Manchurian wheat went in with a freight rate of $3 and $4 a ton on it and was sold at 10 cents a bushel under the asking price on club varieties here. This price includes a duty of ten cents a bushel.

Because of a turning of interest of the Pacific on the part of the people and merchants of the United States, it is expected, according to reports from the United States, that many measures relating to America's interests will be considered during the next session of Congress. Among these will be the federal incorporation bill, a new Trans-Pacific cable, Japanese immigration legislation, statehood for Hawaii, independence for the Philippines, and such legislation as is necessary to assist American financial interests in their participation the new International Consortium. It is expected

that the visit of the Congressional Party to the Orient recently will bring about a more intelligent discussion of these measures.

Colored moth balls are being advertised as gasoline economizers, according to a recent report of the National Vigilance Committee of the Associated Advertising Clubs of the World. These economizers, which are all of napthalene, are guaranteed to eliminate carbon, banish ignition troubles, prevent back firing, give a quick pick up, eliminate skipping and missing, prevent the overheating of the motor and increase gasoline efficiency from 15 to 100 percent. The bulletin says that napthalene has no effect whatever in the quantity advised on the efficiency or performance of gasoline and cites a substiantiating report from the United States Bureau of Standards. Moth balls cost approximately 17 to 35 cents gold a pound and the new "economizer" costs $2.00 a pound.

At a meeting of shipping men and port officials of the ports of Seattle, Portland, Tacoma and San Francisco, held at Tacoma, a resolution was unanimously adopted favoring the indefinite suspension of Section 28 of the new shipping bill, and with the further provision that at any time the Shipping Board deems it fit to put it in operation that at least six months notice be given. Section 28 is the clause giving preferential freight rates on railways for freight to be carried in American ships. Interest in Clause 28 of the merchant marine bill is still a lively subject of discussion in shipping circles on Puget Sound. A. Melville Dollar, president of the Canadian Robert Dollar Company, is quoted as saying that the reduction of freight rates by British and Japanese shipping interests is a retaliatory blow at the Jones Bill.

Current Market Reports

Weekly and Monthly Conditions and Quotations of China's Principal Markets

Weekly Cotton Market Report

By A. B. Rosenfeld & Son

China Cotton.—The cotton market has had a distinctly quiet appearance throughout the whole of the past week with trading almost at a standstill. Prices have receded from half a tael to a tael, with no interest shown by the local mills, due to most encouraging crop reports.

The spot situation has weakened in sympathy with the drop in new crop prices, lack of demand also being a feature of the above market.

Indian Crop.—We are indebted to one of our correspondents for the following telegraphic information:—

"Crop prospects somewhat improved on account of rain having fallen in greater part of Omras and Bengals. Nevertheless market firm, particularly high classing descriptions."

Yarn.—The yarn market had eased off three to four taels in the early part of the week, but towards the

close improved two taels, with a firm undertone. A large demand, however, is not expected until after the Mid-Autumn festival. Deliveries, on the other hand continue to be good, while stocks in the interior marts are almost nil.

Liverpool, August 31, 1920.

Liverpool Market :—

Egyptian Fully Good Fair Sakellaridis.....68.00 Pence
M. G. Fine Scinde and Bengal ..... 9.00 „
Good Middling American, Spot.....21.66 „
„ „ „ October .....19.53 „
„ „ „ January .....18.73 „
Market :—*Steady.*

New York, September 2, 1920.

New York Market :—

October .....26.95 Cents
January .....24.50 „
March.....24.30 „
Spot.....31.75 „
Market :—*Steady.*

Bombay, September 2, 1920.

Indian Market :—

Broach August .....Rps. 441 per Khandy
Fully Good Bengal, Sept.... „ 195 „ „
Fine Oomra, Sept..... .... „ 261 „ „
Market :—*Strong.*

Shanghai Market :—

Shensi Spot.....Tls. 28.00
Tungchow Spot Ex-wharf..... „ 29.00
„ Nov./Dec..... „ 26.50
Shanghai Spot..... „ 26.00
„ Nov.-Dec. ..... „ 23.00
Tone of the Market :—*Steady.*

The Oregon Pine Market

By The China Import and Export Lumber Co., Ltd.

We have pleasure in advising that the market selling rate of Oregon Pine ex yards at Shanghai has from September 3, been reduced to

Tls. 55.00 base for current orders under 10,000 feet B. M.

(large order subject to negotiation).

and

Tls. 50.00 base for orders of 100,000 feet B. M. and over with Cash against delivery.

Weekly Silk Market Report

By Villa Brothers

Since our last report a little business has been done in China Steam Filatures for Europe. Double Eagle Extra & 1 at Tls. 900 Tien Zen Extra & 1 at Tls. 850 Double Leopard Extra & 1 Tls. 860 Three Dancers Extra & 1 Tls. 850. Also a few purchases in Yellow Silk for India.

China Steam Filatures Grand Extra Chops...Tls. 1160
„ „ „ Extra Chops..... „ 950
„ „ „ Medium Chops ..... „ 800

Tussah: The local market continues very dull and inactive, a little business has been done in Antung at Tls. 360/340.

Tussah Best Chops.....Tls. 340
„ Market Chops..... „ 320

The Tsatlee market is very quiet and no business reported.

Tsatlee Best Chops.....Tls. 790
„ Market Chops..... „ 750

Shanghai Exchange for week ending Wednesday, September 8th, 1920

By Maitland, Fearon and Brand

Exchange :—The London price of Silver has ruled rather unsteady during the week, after falling 1⅛d. to 57⅞d. it went as high as 60⅜d. but today is down to 59½d. i.e. ¾d. higher than last week closing price. Our rates for T/T on London has followed silver and at the close is quoted 5/10½d. flat, with a weak tendency locally. A fair amount of export paper was negotiated early in the week, but exports for which Shanghai is the centre are very dull and the silk and tea seasons have been comparatively very poor. Up North large business in the export of wheat is reported but we understand it is being negotiated on Gold Yen basis. With tight money in the home markets, and in the absence of Gold cover in the shape of export paper, the Shanghai Exchange Banks shows a disposition to become buyers rather that sellers of T/T on London, at least for September-October delivery.

Local stocks of Silver are reported as follows :—

Sycee and Bar Silver .....Tls. 32,480,000—a decrease of Tls. 280,000
Chinese and Mexican Dollars ... $ 24,840,000 an increase of $ 510,000
Estimated total value in Taels 50,610,000.
Stock of silver on 10 Sept. 1919 Taels 28,500,000.

†	Average rates for August	Thurs. Sept. 2	Friday Sept. 3	Sat. Sept. 4	Mon. Sept. 6	Tuesday Sept. 7	Wed. Sept. 8
Bk's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T London	5/10.481	5/10 5/9	5/10	5/10	5/11	5/11	5/10½
D/Dfts. „	—	5/10 15/16 5/9¼	5/10¼	5/10¼	5/11¼	5/11¼	5/10¾
4m/s „	—	5/10 13/16 5/9½	5/10½	5/10⅝	5/11½	5/11½	5/11
T/T India	303.615	304½ 300	307½	307½	315½	315½	314
T/T France	1485.192	1500 1745	1495	1195	1525	1525	1515
T/T N. Y.	106.269	103 102½	104	104	105¼	105¼	104¼
T/T H'kong	71.336	71 71	71	71	71	71	71
T/T Japan	47.846	49 49⅛	49	49¼	48½	48½	48⅝
T/T Batavia	307.231	316 312	309	313	318	318	316
T/T Straits	39.288	39½ 40	39½	39½	39	39	39¼
Bk's buying rates							
4m/s B/L. Cred, D/A	6/2.481	6/2 6/1	6/2	6/2	6/3	6/3	6/2¼
6m/s „ „	6/3.731	6/3¼ 6/2¼	6/3¼	6/3¼	6/4¼	6/4¼	6/3¾
4m/s „ D/P	—	6/2½ 6/1½	6/2½	6/2½	6/3½	6/3½	6/3
4m/s „ „		NOMINAL	NOMINAL	NOMINAL	NOMINAL	NOMINAL	NOMINAL
4m/s B/F. C., D/A, D/P	1585.192	1600 1575	1595	1595	1625	1625	1615
4m/s N.Y. Lc.	113.269	110¾ 109½	111	111	112¼	112¼	111¼
4m/s „ Docs	—	111½ 110¼	111¾	111¾	113	113	112

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Sept. 2	Sept. 3	Sept. 4	Sept. 6	Sept. 7	Sept. 8
Bullion.						
***London** Price of Bar Silver per oz. (English Standard 925 touch) Pence.	57⅞	58½	59	60⅛	60⅜	59½
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch	Tls. 226⁰⁰	Tls. 224⁰⁰	Tls. 225⁷⁰	Tls. 224⁵⁰	Tls. 224⁰⁰	Tls. 228⁰⁰
Shanghai Silver Bars (weight Tls. 100 (C.) 999 touch)	111⁰⁰	111⁰⁰	111⁰⁰	111⁰⁰	111⁰⁰	111⁰⁰
Shanghai Mexican Dollars per $100	72.85	72.90	73.025	73.125	73.175	72.125
Native Bank Rate of Interest (Call money)	3½%	3½%	3½%	4½%	4%	4%
*Closing Price in London for Previous day.						

Bank of England rate of discount	7 %	London on Paris	T/T 52.29
Bank of France rate of discount	7 %	New York on London	T/T 177
London open Market rate		New York on London	T/T 354½
of Discount	3 m/s. 6 1/16 %	Bombay on London	T/T 1/10
„ „	4 m/s. 6⅞ %	Hongkong on „	T/T 4/2
„ „	6 m/s. 6⅞ %	Yokohama „ „	T/T 2/10¼

New Books and Publications

A Political Study of Modern China

Modern China—A Political Study. By Sih-Gung Cheng, M. A. The Clarendon Press, Oxford, 1919. Pp. 315 and 9 Appendices. 6/6 net.

THIS is one of several creditable works made in recent years by Chinese educated abroad, and particularly welcome because it fairly succeeds in its announced purpose "to avoid patriotic bias" and "to discuss politics with disinterestedness," giving "a true picture of things in the Far East, and to suggest constructive schemes for every subject touched upon." The author is to be commended for his remarkable ease of expression, a gift rather rare among Orientals commanding the use of a tongue acquired as difficultly as English.

It could be supposed that the book was written largely for the information of English and American readers not in close touch with Chinese affairs. For the "old China hand" or intelligent Chinese it discusses subjects not altogether new, nor these in any authoritative fashion, though historically it is, in the main, a tolerably correct summary. The author is evidently more at home in economics than in the purely political questions upon which he ventures to suggest "constructive schemes" of reform. His knowledge of China's financial and industrial problems has already found recognition in his being appointed to the technical commission of the Chinese Peace Delegation at Paris where he rendered excellent service to Minister Sze.

On the whole the book is admirably conceived and well executed, but is marred by some vague statements of fact which, however, may be excused on the author's long absence from China and therefore being somewhat out of touch with the latest developments. Such for instance is the assertion that the Chinese gentry exercise "a great influence" and possess "a strong voice in local government," an assertion which leaves the well-informed a bit uncertain when he looks round for evidences of that influence and that voice. This might have been true a considerable time past, but for present one would have to see positive illustrative instances before believing. Another statement is that the Peking Ministry of Foreign Affairs has partial control over the International Mixed Court at Shanghai. When and how that control came about was not mentioned, but from experience one has seen that, certainly from the standpoint of the treaty powers controlling that tribunal, any interference from the Chinese government has been and will be hotly resented, so that it is safe to say that if the Ministry of Foreign Affairs has any control at all, which is doubtful, it is but theoretical. Still another error is that concerning the "annual budget." As to this we are reminded of the Yankee farmer's remark when he saw for the first time a giraffe: "There ain't no sech critter!" Again when we still see the widespread addiction to opium-smoking going on in 1920 it is hard to credit the claim that the use of this drug "almost disappeared in 1918!" And at this writing when the whole world is treated to the disgraceful spectacle of several army groups within the country fighting each other for political ascendancy one can scarcely imagine what would now be happening if the author's wish could have been realized, for he says (p. 266) "Had China been provided with a bigger and more efficient army, she would probably have taken a more active part in the war.!"

Difficult to understand is the statement that in the Boxer Troubles, native Christians were killed not for their Christianity but for their association with foreigners. Assuming that there may have been one or two martyrs slaughtered for being friends of foreigners, yet the overwhelming majority of the murdered can safely be said to have been done to death for their religious faith, for many of them might be still alive had they but abjured Christianity! And perhaps only reflexive of the author's English conservative university training are two characteristic views, to wit: "The supreme duty of an officer is to . . . . . suppress insurrection on the order of the Central government, *however it may be constituted*" (p. 44) and ". . . . . good citizens should *always support any existing form of government under which they may live*," (p. 266). We believe that the author, unless he be a dyed-in-the-wool reactionary, has unfortunately misread his own as well as English political history if he seriously expects these statement to pass unchallenged by liberal opinion.

The publishers deserve much praise for putting out a work on China with so few typographical mistakes, especially as the author was himself precluded from reading his proofs to correct the misspelling of romanized Chinese names.

AMICUS SINIAE.

Chinese Government Railways

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Chikungshan Mountain (Summer Resort). Not many Summer Resorts in China inland can bear comparison with the natural charming views that reward those who ascend the mountain of Chi Kung Shan whose summit stands at an altitude of 1980 ft. On reaching Sintien Station, situated 110 m. from Hankow, a serpentine road climbs the mountain, on top of which are hundreds of beautiful bungalows awaiting vacationists. This popular resort is celebrated for its scenery, where an almost unbroken communion with nature can be enjoyed for a week at a time.

Si Ling or Western Tombs. With their present-day accessibility, there is now little excuse for visitors to Peking omitting a trip to the Western Tombs, undoubtedly one of the most impressive sights in China. The site of these beautifully adorned Imperial Tombs is close to Liang Ko Chwang station, 79 m. from Peking, which is reached by a Branch-line formerly built for the exclusive use of the Imperial Sovereigns when visiting the Tombs of their ancestors. The Western Tombs include the mausoleums of four Manchu Emperors and three Empresses, as well as those of a number of Princesses. The region is justly appreciated for the charming scenery surrounding the Imperial Tombs and is highly recommended to any one in search of the extraordinary and beautiful.

At the Shanghai Hotels

The following guests have registered at the Astor House Hotel during the week: J.B. Hood, Mississippi; Mr. and Mrs. W.R. Parkins, Shanghai; G. J. Mabarak, Shanghai; Mr. and Mrs. W. B. Inman, Shanghai; E. T. Basha, Shanghai; Mrs. N. Ritchie; Mr. and Mrs. T. G. Hall, Los Angeles; Mr. and Mrs. W. C. Leet, Omaha; R. Lucher, Seattle; Mr. and Mrs. Stafford Smith, Chinkiang; T. H. Huang, Foochow; Capt. E. Jones; Mrs. G. W. Whitaker, San Francisco; R. S. Rogers, Manila; J. H. Moore, New York; E. F. Magee; W. R. Harvey, Nanking; E. P. Ely, Boston; N. Stevenson, Boston; M. D. Baird, New York; H. W. Wier, Peking; R. L. Sovary, Harbin; Chernekh, Harbin; Mrs. J. Benedict, Yokohama; Mrs. M. Pentycross, Yokohama; J. B. Hughes; Mr. and Mrs. T. F. Cobbs, Kobe; N. Sachs, New York; Mr. and Mrs. W. F. Alexander, New York; F. Walker, Seattle; Miss A. R. Dout Provost, Los Angeles; D. J. Hanscomb, Hongkong; J. Marcovich, Seattle; E. W. Longhon, Tokyo; Mrs. G. E. Morrison, Peking; Mr. and Mrs. D. F. Callahan; New York; E. M. Harman, Nanking; O. H. Frazer, Manila; Mr. and Mrs. M. C. Guss, Hankow; Mrs. C. Bingham, Boston; W. C. Johnson; Mr. and Mrs. G. B. Campbell, Tientsin; R. D. Epper, Tientsin R. S. Homet, Chungking; W. Rosenblatt, San Francisco; Mrs. King, London; Miss King London; W. A. Radford, Chicago; L. A. McGrail; W. F. Garry, Chinkiang; Comdr. Peri, Peking; F. C. Church, Peking; R. S. Codman, Peking; O. Sharpor, Harbln; Dr. P. C. Hodges, Peking; Mrs. W. L. Chase, Brooklyn; Miss J. Patchell.

The following guests have registered at the Grand Hotel Kalee during the week: D. W. Marsden, Local; Mrs. Garratt; Miss Garratt; Ed. M. Gordon; de Beauchaine, Tientsin; J. H. Mayer, Chicago; F. P. McGrath, Boston; Mrs. J. B. Hood, Nanking; Mrs. E. Chaichek and two children, Tientsin; Msss N. Brightman, Tsingtau; Commander Defontaine; B. Staheyeff, Tsingtau; V. Borovoi, Tsingtau; Mr. and Mrs. L.F. Mathew and son, Tsingtau; C. Mathew, Tsingtau; H. C. Manjon, New York; Karotigain, Tsingtau; Mrs. Dedeloff, Tsingtau; G. Berman, Japan; de Bary, Pekin; A. Hartmann, Yokohama; R. Hancock, Tokyo; S. T. Wung, Nanking; J. Rasmussen, Chefoo; C. C. Williams, Local; Capt. & Mrs. S. Nilsen, Hongkong; Lanto Mariv, Tientsin.

The United States Court for China

(Established by Act of Congress of June 30, 1906).

JUDGE, Charles S. Lobingier.

DISTRICT ATTORNEY, Chauncey P. Holcomb.

COMMISSIONER, Ferno J. Schuhl.

MARSHAL, DISBURSING OFFICER, } Nelson E. Lurton.

CLERK, James P. Connolly.

DEPUTY MARSHAL, Neville Craig.

OFFICE HOURS 9-1; 2-5.

TIENTSIN:

DEPUTY CLERK, Harry A. Lucker.

DEPUTY MARSHAL, William T. Collins.

CANTON:

DEPUTY CLERK, Joseph C. Nardini.

DEPUTY MARSHAL, William R. Lynch.

All Notices, Announcements, Judgments, Orders and other Proceedings appearing in this department of MILLARD'S REVIEW may be accepted as authentic.

Miscellaneous Filings

September 1, 1920; Cause No. 1113; U. S. vs. A. G. Davis; affidavit; writ.

" 2, " Cause No. 1114; U. S. vs. James McNally; complaint.

" 2, " Cause No. 1115; Yok Sang vs. J. tHamilon; petition; summons.

September 2, 1920 Cause No. 1116; Tobacco Products Corporation vs. George W. Jarrott, doing business under the name and style of United States Siberian Company; affidavit; petition; bond; summons; writ.

" 2, " Cause No. 1117; U. S. vs. Roy L. Chenoweth; summons.

" 2, " Cause No. 1118; U. S. vs. Vaughan Read; complaint; summons.

" 3, " Cause No. 1119; Poo Shong Hong doing business under the name of Hai Chang Hong vs. Consolidated Corporation; petition; summons.

" 3, " Cause No. 1120; U. S. vs. R. Bascombe; affidavit; writ.

" 3, " Cause No. 1108; Hoasun Iron Works vs. The Steamer Chang Ling; answer.

" 6, " Cause No. 1121; U. S. v. John Pilack; affidavit; warrant.

" 7, " Cause No. 1122; U. S. v. M. Maluski and Alfred Moon; affidavit; writ.

" 7, " Cause No. 1123; The Sincere Company v. W. G. Wallace; petition; summons.

" 7, " Cause No. 909; In re estate of Hasting Stelken; deposition.

" 7, " Cause No. 845; In re Estate of Donald A. Preston; deposition.

" 7, " Cause No. 1124; U. S. v. W. G. Wallace; affidavit; warrant.

" 8, " Cause No. 1125; U. S. v. W. G. Hoffman; complaint; summons.

" 8, " Cacse No. 1107; Fleming Davies Cryan v. American Sales Corporation; answer.

" 8, " Cause No. 1105; A. G. Sherbinin v. United States Trading Co; demurrer.

" 9, " Cause No. 1127; In re Ralph B. Colson's Estate; petition for Letters Testamentary.

Hearings:

September 7, 1920 Cause No. 1087; U. S. vs. T. F. Cobbs; Hearing.

" 7, " Cause No. 1112; U. S. vs. Ernst G. E. Josephson; Hearing.

" 7, " Cause No. 1114; U. S. vs. James McNally; Hearing.

" 7, " Cause No. 1117; U. S. vs. R. L. Chenoweth; Hearing.

September 7, 1920 Cause No. 1120; U. S. vs. R. Bascomb; Hearing.
" 7, " Cause No. 1121; U. S. vs. John Pilack; Hearing.
" 7, " Cause No. 1122; U. S. vs. M. Mulaski & Alfred Moen; Hearing.

Judgments and Orders:

September 7, 1920 Cause No. 1087; U. S. vs. T. F. Cobbs. Judgment.
" 7, " Cause No. 1112; U. S. vs. Ernst G. E. Josephson; Judgment.
" 7, " Cause No. 1114; U. S. vs. James McNally; Judgment.
" 7, " Cause No. 1117; U. S. vs. R. L. Chenoweth; Judgment.
" 7, " Cause No. 1120; U. S. vs. R. Bascomb; Judgment.
" 7, " Cause No. 1121; U. S. vs. John Pilack; Judgment.
" 7, " Cause No. 1122; U. S. vs. M. Mulaski & Alfred Moen. Judgment.

Call of Docket.

The docket for the Fall Term Judge Lobingier will call on Saturday, September 11, at 9:30, a.m. Attorneys interested are expected to be present, but in any event the following cases will be definitely assigned for trial:

Cause No. 830 Hoong Yung Koo vs. Esso Company of China.
" 890 In re Estate of John Isadore Sanger.
" 985 Ellis Ezra vs. F. W. Sutterlee, Jr.
" 1001 Lung Chu vs. The Sino American Trading Company.
" 1019 Leonilde d'Almaide Worthington vs. Douglas George Worthington.
" 1021 Alexander Ullrych vs. Asia Banking Corporation.
Cause No. 1025 R. I. Harrick vs, Standard Products Co., Inc.
" 1027 Zeng Yi Ching vs. The Barkley Co.
" 1032 The Belgian Trading Bompany vs. Nuss Hesiime Co., Inc.
" 1041 Asia Banking Corp. vs. American Sales Corporation.
" 1043 Heng Fu Chong vs. China & Mongolia Export Co.
" 1045 Ring Mow Zu vs. The Wilkins Bros. & Co., Inc.
" 1046 Tung Hunt Teh vs. The Barkley Company, Inc.
" 1050 T. C. Dong vs. David L. Moss.
" 1051 Sang Yung Chang vs. The Wilkins Bros. & Co.
" 1052 Bertha Marie Bowman vs. James Aloysius Bowman.
" 1053 Sarah Rothstein vs. Isador Rothstein.
" 1063 L. C. Gillespie & Sons vs. Andrews & George.
" 1075 In re Estate of Harry Finkelstein.
" 1089 U. S. vs. A. F. Ollerdessen.
" 1091 S. A. Ransom et al vs. Paul Martin.
" 1092 " " " " " "
" 1096 Fred Rodolph Hanish vs. Fearon Daniel & Co.
" 1097 Chang Yung Kong vs. Philippine National Bank.
" 1104 Yangtze Transport & Supply Co. vs. Tsu Tsu Wen.
" 1105 A. G. de Sherbinin vs. United States Trading Corp.
" 1107 Fleming Davis & Bryan vs. American Sales Corp.
" 1108 Hoasun Iron Works vs. Steamer Chang Ning.
" 1109 Jenkee Co. vs. P. F. Wisner & Co.
" 1110 " " " "
" 1115 Yok Sang v. J. Hamilton.
" 1116 Tobacco Products Corp. vs. George W. Jarrott.
" 1119 Poo Shang Hong alias Hai Chong Hong vs. Consolidated Steel Corp.

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Outline for the Study of Current History, Finance and Commerce of China

by
C. F. REMER, M. A.,
Professor of Economics, St. John's University
and
H. F. MACNAIR, M. A.,
Professor of History, St. John's University

This outline, primarily for the use of middle schools and colleges, is based upon the Review for last week. It is not intended that the whole of the outline be used but that those topics be selected that are found to be adapted to the class.

1. International Affairs

Topic 1: The Position of the Philippine Islands

References: Pp. 9-10,34,36.

Questions: 1. What is a "turn about face," and what is the application of the term here? 2. What military reason might the U. S. A. have for (a) giving the Islands complete independence? (b) for refusing independence? (c) for giving partial independence? 3. What is the Jones Law? 4. Who is the Governor General of the Philippines? 5. What policies has he pursued? How? Why? 6. Do you believe the Philippines really want complete independence? Use this as a topic for a class debate. 7. Who is Manuel Quezon? Of what nationality is he? 8. How has personal study of the Philippine question affected the attitude of some American Congressmen? 9. Can you account for this?

Topic 2: Commercial Relations with the Russian Soviet

References: Pp. 4-6

Questions: 1. What is a Soviet? 2. Where is Verhne (or Verkhne) Udinsk? 3. Which foreign representatives in Peking protested over this matter? Why? 4. How was China willing to compromise the matter? 5. What is the relation between this Mission and the Russian Minister in Peking? 6. How has China solved the question of receiving the Soviet representatives? 7. What do you think of the legal position of the two foreign representatives interfering in this matter? Can you quote any international law on this matter?

2. Domestic Affairs

Topic 1: Dr. Reinsch's Memorandum to the Peking Cabinet

References: Pp. 6-8.

Questions: 1. Why should Dr. Reinsch hand a Memorandum to the Cabinet? What was his official position when he did so? 2. What inference can you draw from the fact that the Memorandum has been made public? 3. What does he consider the fatal weakness of the gov't at present? 4. What has been the weakness since 1911? Explain. 5. Name the three bases of public authority. 6. What is the basis of all legality? 7. What does he propose as a solution of the problem? 8. What is to be the test of the new gov't? 9. What does Dr. Reinsch think of a highly centralized gov't for China? Why? 10. What is his attitude toward Provincial rights?

Topic 2: The Chinese Post Office

References: Pp. 3-4

Questions: 1. Compare the figures of articles handled by the Post Office in 1919 with those for 1917 and 1918. What does this show regarding the efficiency of the P. O.? 2. What does the falling off in the number of insured letters indicate? Why? 3. If China had joined the Universal Postal Union in 1878 is it likely that foreign post offices would still be here? 4. How may a post office be a 'political aid'? 5. Is there any objection to the removal of foreign post offices?

3. Commerce and Finance

Topic 1: Industrial Development at Wusih.

References: Pp. 42-44, and an article in the *Review* for July 17, 1920.

Questions: 1. Locate Wusih on a map. 2. We are told that "Wusih, on account of its transportation facilities, has become the distributing center for rice." Name the transportation facilities that the writer has in mind. 3. What is meant by the heading "capital" under factories? Does it mean the money actually spent in building the factory? Does it mean the present value of the factory? 4. What is the Chinese name for capital? Does it have more than one meaning? 5. Write a paper comparing the industrial development of Wusih with that of the city in which you live.

Topic 2: U. S. Imports of Peanuts.

References: Pp. 44-45.

Questions: 1. What name do the English use for peanuts? 2. Are peanuts native to China? 3. Do you know who introduced peanuts into China? 4. Read the fourth paragraph carefully. Do you see any advantage that Japan has over China in establishing oil mills? 5. What province in China produces most of her peanuts? 6. Does this have anything to do with the answer to question 4? 7. What use is made of peanuts and peanut oil in China? 8. See if you can find out the chief uses of peanut oil in America and European countries.

Topic 3. Chinese Coal for Europe.

References: Pp. 45-6, p. 48.

Questions: 1. From what city in China is coal to be sent to Europe? 2. Do you know where the mines are that provide this coal? 3. Do you think it an advantage or a disadvantage to China to become an exporter of coal? Why? 4. Did the rise in the price of coal which took place during the war stimulate the Chinese industry? 5. Is there any reason to suppose that it will be stimulated now after the war is over? Consider your answer to this question carefully.

Topic 4. The Policy of the New Minister of Finance

References: Pp. 2-3.

Questions: 1. Who is the present Minister of Finance? 2. How much was the total of overdue payments at the end of June? 3. What was the monthly deficit for the eighth fiscal year? 4. What measures do the Minister of Finance propose to take? 5. Upon what foreign organization does he depend? 6. Who is Mr. Thomas W. Lamont? 7. What is the meaning of each of the following terms; consortium, China's resources, funds, deficit?